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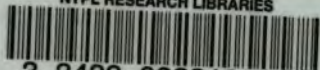
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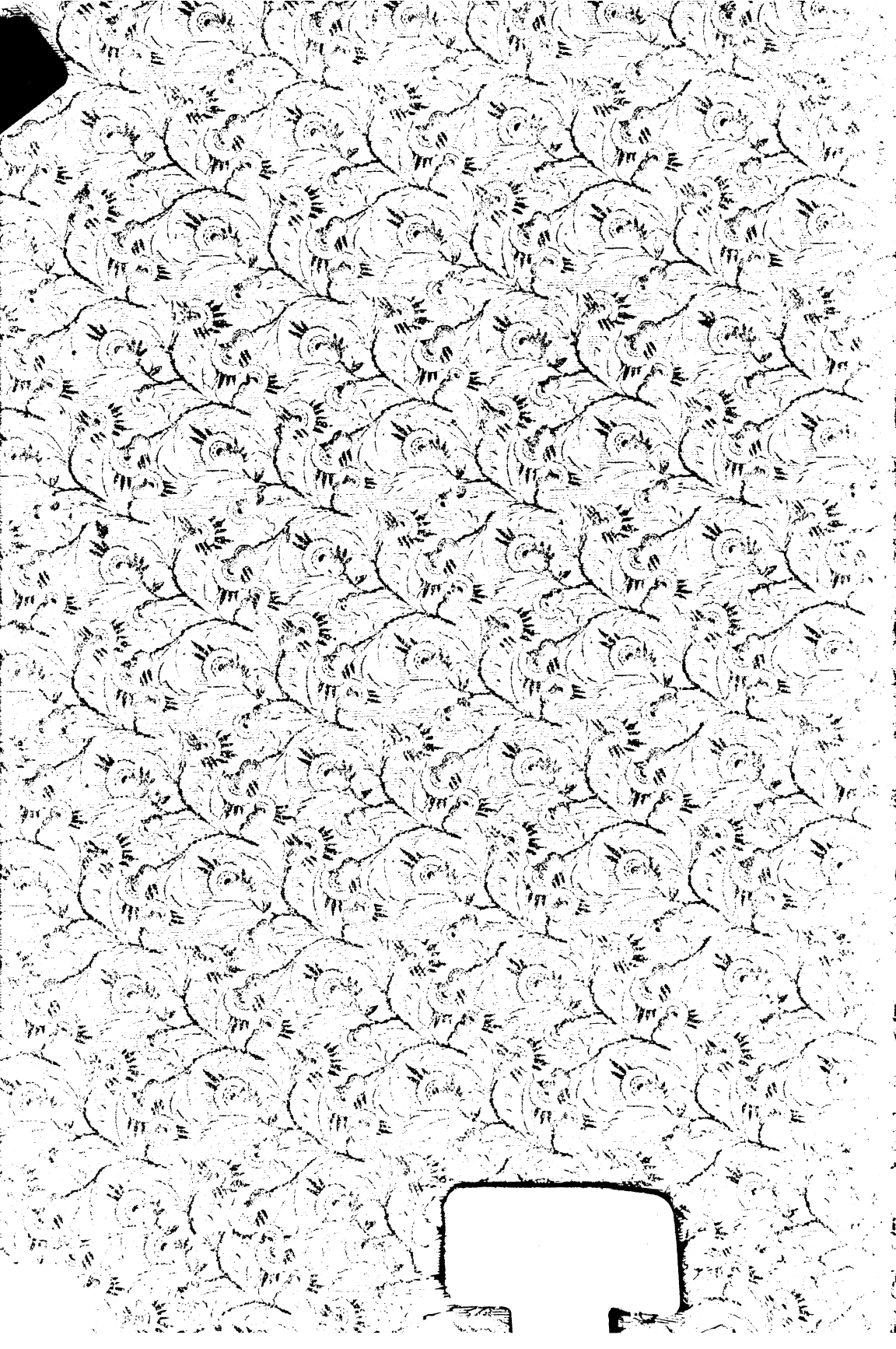
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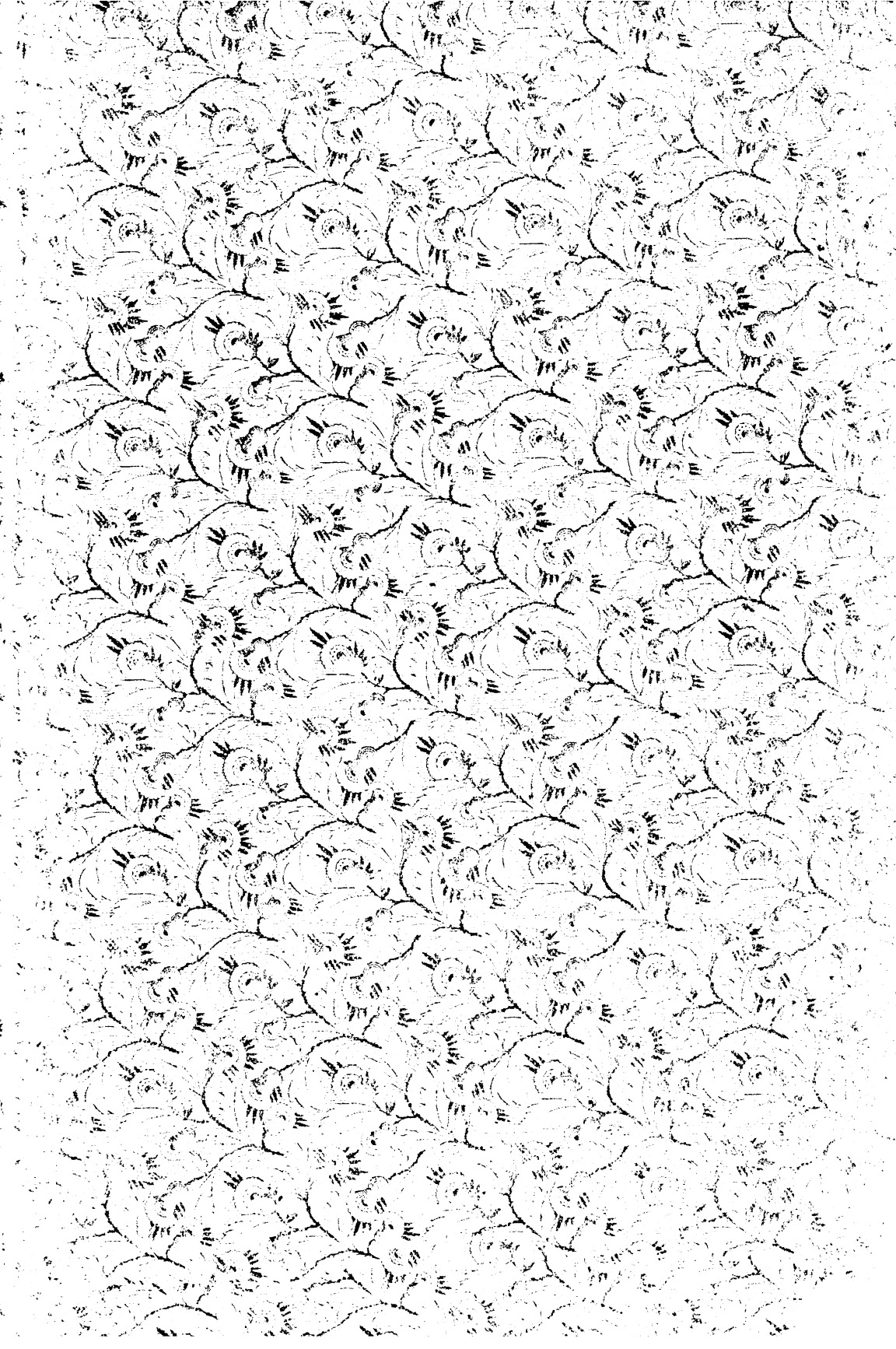
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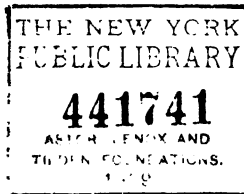
PROCEEDINGS
OF THE
THIRTY-FIRST ANNUAL MEETING
OF THE
FIRE UNDERWRITERS' ASSOCIATION
OF THE NORTHWEST.



CHICAGO, ILL., SEPTEMBER 26-27, 1900.

PRINTED BY ORDER OF THE ASSOCIATION.

1900.



KING-CRAMER CO.,
ENGRAVERS,
PRINTERS,
MILWAUKEE, WIS.

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THIRTY-FIRST ANNUAL MEETING

OF THE

FIRE UNDERWRITERS' ASSOCIATION

OF THE NORTHWEST.

PRESIDENT.

OTTO E. GREELY.....MINNEAPOLIS, MINN.
Adjuster Phenix Ins. Co., New York.

VICE-PRESIDENT.

CYRUS WOODBURY.....COLUMBUS, O.
Special Agent Queen Insurance Co.

TREASURER.

JOSEPH A. KELSEY.....CHICAGO, ILL.
Manager Aachen & Munich Fire Ins. Co.

SECRETARY.

D. S. WAGNER.....CHICAGO, ILL.
Adjuster.

BOARD OF DIRECTORS.

J. A. KELSEY, Manager Aachen & Munich Fire Ins. Co.....CHICAGO, ILL.
J. O. LEE, Special Agent New Hampshire Fire Ins. Co.....CHICAGO, ILL.
D. S. WAGNER, Adjuster.....CHICAGO, ILL.
HOWARD DeMOTT, Assist. Manager N. B. & M. Ins. Co.....CHICAGO, ILL.
CYRUS WOODBURY, Special Agent Queen Ins. Co.....COLUMBUS, O.
D. W. ANDREWS, Special Agent Lancashire Ins. Co.....ST. LOUIS, MO.
JOHN E. DAVIES, State Agent Aetna Ins. Co., Hartford.....RACINE, WIS.
S. E. CATE, General Agent Union Ins. Co.....CHICAGO, ILL.
GEO. C. MOTT, State Agt. & Adj. N. Y. Underwriters.....ST. PAUL, MINN.
W. L. KING, F. S. James & Co.....CHICAGO, ILL.
R. L. RAYNOLDS, State Agent Connecticut Fire Ins. Co.....COLUMBUS, O.
F. A. VERNOR, Special Agent Queen Ins. Co.....DETROIT, MICH.

PROGRAM
OF THIRTY-FIRST ANNUAL MEETING.

FIRST DAY.

OPENING SESSION, 9:30 A. M.

Reports of Officers.

Election of New Members.

Reports of Standing Committees.

PRESIDENT'S ADDRESS.

ANNUAL ADDRESS — MR. JOHN H. ADAMS, St. Louis, Mo., Secretary American Central Insurance Company of St. Louis, Mo.

PAPER — "Influence of the Adjuster upon Underwriting," MR. H. A. DIKE, Cedar Rapids, Iowa, Special Agent Fire Association of Philadelphia.

DISCUSSION.

AFTERNOON SESSION, 2:30 O'CLOCK.

PAPER — "Joint Rate Making in Fire Insurance," MR. H. H. PUTNAM, Boston, Mass., Editor "Journal of Insurance Economics."

DISCUSSION.

PAPER — "Some Thoughts on the Premium Income," MR. CARROLL L. DEWITT, Indianapolis, Ind., Special Agent Glens Falls Insurance Co.

DISCUSSION.

PAPER — "Idiosyncrasies of Fire Insurance," MR. H. N. WOOD, Omaha, Neb., State Agent North British & Mercantile Insurance Co.

DISCUSSION.

PAPER — "Does It Pay to Be Good?" MR. J. F. EDMONDS, Denver, Col., Resident Secretary Commercial Union Assurance Co.

DISCUSSION.

SECOND DAY.

MORNING SESSION, 9:30 O'CLOCK.

PAPER — "New Conditions and Hazards of Manufacturing Plants," MR. C. A. MCCOTTER, Ann Arbor, Mich., Inspector Millers' National Insurance Co.

DISCUSSION.

PAPER — "National Supervision and National Insurance Corporations," MR. FREDERICK V. BROWN, of the Minneapolis Bar.

DISCUSSION.

PAPER — "The Present Trend of Co-operation in Fire Insurance," MR. J. P. HUBBLE, Chicago, General Agent Greenwich Insurance Company.

DISCUSSION.

PAPER — "The Consequential Damage Problem—A Practical Solution," MR. H. H. FRIEDLY, Chicago, Superintendent Loss Department, Royal Insurance Co.

DISCUSSION.

AFTERNOON SESSION, 2:30 O'CLOCK.

Reports of Special Committees.
Election of Officers for the Ensuing Year.

PROCEEDINGS

OF THE

Thirty-First Annual Meeting of the Fire Underwriters' Association of the Northwest,

Held at the Auditorium Hotel, Chicago, Ill.,

Sept. 26 and 27, 1900.

FIRST DAY.

OPENING SESSION.

WEDNESDAY, September 26, 1900.

The meeting was called to order at 9:30 o'clock A. M., the President, Mr. Otto E. Greely, in the chair.

Present: D. S. Wagner, Secretary, and the following regular members, viz.:

Abbott W. S.	Barnard C. F.	Brainerd M. C.	Cary Eugene.
Adams Geo. W.	Barnes Fred B.	Brant J. A.	Caswell J. H.
Affeld Chas. E.	Barry Chas. H.	Briggs N. E.	Cate S. E.
Allabach E. W.	Batchelder G. H.	Brooks Fred S.	Cavanagh W. A.
Althouse W. L.	Bawden E. T.	Brown Grant R.	Chamberlin W. O.
Alverson H. C.	Becker E. A.	Brown Wm. C.	Chapman E. F.
Anderson Chas. H.	Belden J. S.	Buck Fred O'L.	Chapman W. A.
Andrews C. L.	Bell G. H.	Bullard A. F.	Chard Thos. S.
Andrews D. W.	Benallack W. T.	Burke F. H.	Clark A. A.
Andrus S. D.	Benedict Frank M.	Burns M. J.	Clough Allen E.
Atwater Walter E.	Bennett R. M.	Bush J. B.	Cobban Walter H.
Auerbach B.	Bennett Wm. L.	Campbell S. F.	Colson H. W.
Bailey J. W.	Blackwelder I. S.	Campbell Walter.	Cormany W. A.
Bailey O. M.	Blauvelt Albert.	Carpenter J. D.	Cornell H.
Baker Thos. Jr.	Bliven Walte.	Carson R. B.	Coryell H. B.
Baldwin Dean A.	Bradshaw W. D.	Carver J. G.	Cowles C. S.

Crandall W. H.	Haverstick Ralph.	McBain W. F.	Sikkema U. H.
Criswell B. F.	Hawxhurst W. F.	McCabe Frank J.	Singleton J. P.
Croskey T. F.	Hayes Geo. W.	McCotter C. A.	Smith Horace M.
Crosley Geo. R.	Hayes J. J.	McDaniel F. S.	Smith T. H.
Curtis C. E.	Heaford H. H.	McGill M. R.	Smith Thos. H.
Dale John F.	Hebgen Gust.	McGregor P. D.	Snyder C. F.
Dallas W. I.	Heywood H. B.	McKean R. G.	Spoerer F. E.
Dana Francis.	Higbee W. E.	McMahon G. P.	Sprague Sam'l E.
Daniel T. R.	Higley Chas. W.	McSween J. F.	Stafford John F.
Davies John E.	Hildreth L. E.	Melnel F. A.	Stauffer J. Geo.
Davis Edward T.	Hill Chas. S.	Meyer A. J.	Steele W. L.
De Forest E. F.	Hilton J. M.	Miller W. L. W.	Stone John.
De Mott Howard.	Hinckley E. H.	Mink Albert C.	Stuart H. C.
De Roode Holger.	Hitchcock W. E.	Mitchell Wm. A.	Sutton J. R.
De Witt C. L.	Hobbs J. N.	Monroe A. R.	Thomas John V.
Dike Henry A.	Hollinshead C. S.	Moore Geo. H.	Thummel W. F.
Diggins A. B.	Hoover John.	Moore M. S.	Tiffany H. S.
Drumm W. I.	Howe H. I.	Mueller G.	Tolles Fred W.
Dunlop Chas. D.	Hubble John P.	Munn E. V.	Townley W. R.
Dunning F. A.	Hubble J. W.	Munson E. A.	Townsend A. F.
Eddy H. C.	Hunter R. H.	Neuberger John M.	Timberlake C. S.
Edmonds J. F.	Ingram John C.	O'Brien J. W.	Tripp S. W.
Englemann C. P.	Johnson Jas. J.	Odell R. S.	Trittle F. L.
Errett F. J.	Joseph Jas. F.	Olds A. C.	Tuttle L. S.
Evans A. N.	Kelly Wm. B.	Page Wm. E.	Vandeventer W. E.
Fargo F. M.	Kelsey Ben J.	Palmer H. E.	VanValkenburg M. W.
Fargo W. D.	Kelsey H. N.	Parsons R. L.	Vernor Frank A.
Fisher G. M.	Kelsey Jos. A.	Persch C. F.	Vore Milton P.
Fisher Walter I.	Kemp O. C.	Phillips H. O.	Wagner D. S.
Fleming J. D.	King W. L.	Pinkney A. E.	Walker H. H.
Foreman E. P.	Kitson Harry.	Ragsdale J. C.	Wallace W. G.
Forrey Edwin H.	Knighton P. H.	Rassweiler H. H.	Walsh Chas. A.
Foster Robert J.	Lamey H. T.	Raymond M. H. N.	Wardle H. M.
Foster Wm. R.	La Brande G. W.	Raynolds Robt. L.	Warren W. S.
Fowler Henry.	Lee Frederick W.	Reed W. A.	Washington H. B.
Fox Harry.	Lee J. O.	Reekie Chas. A.	Watson Clifford.
Friedly H. H.	Leisch C. W.	Reynolds M. A.	Well Aaron M.
Furlong John P.	Lenahan J. H.	Richards Guy A.	Wells H. M.
Gallagher Thos. E.	Lent Loui A.	Richards J. M.	Welpton D. B.
Gibbs H. M.	Lewis I. J.	Riddle J. Irving	Welpton S. S.
Glidden H. H.	Littlejohn W. J.	Rimington H. H.	White H. W.
Golden W. E.	Livingston J. K.	Ritchie Frank.	Whitlock J. L.
Gray H. P.	Loudon H. R.	Robertson J. W.	Whitney F. H.
Gray J. H.	Loudon W. S.	Robertson W. P.	Williams W. Fred.
Greely Otto E.	Lovejoy Geo. M.	Rogers Frank D.	Williams Geo. G.
Greene F. M.	Lowry W. D.	Rogers W. A.	Windle Ed. W.
Greer W. J.	Luce Fred B.	Row Frank G.	Windle Jos. J.
Grenell Howard.	MacEnaney L. L.	Rudy D. A.	Wisner W. K.
Griffith J. H.	Main W. E.	Sayres R. S.	Witherbee W. E.
Hall John R.	March Geo. K.	Schafer Fred W.	Witkowsky Con.
Hall Theo. D.	Mariner W. E.	Schnitzler Theo.	Wood H. N.
Hanrahan John.	Marshall Jno. Jr.	Schrup N. J.	Wood W. J.
Harding A. J.	Martin C. C.	Scott Walter.	Woodbury Cyrus.
Harford W. P.	Matteson David J.	Sears M. L.	Woodhurst W. H. C.
Harvey R. D.	Mauritzius Frank.	Shankland T. C.	Wright John O.
Hatfield S. K.			

Press represented as follows:

Chas. A. Hewitt.....	<i>Insurance Post.</i>
Geo. W. Hatch.....	<i>Insurance Age.</i>
Carlton Brown.....	<i>Insurance Report.</i>
A. H. Huling.....	<i>Insurance Herald.</i>
Young E. Allison.....	<i>Insurance Field.</i>
H. H. Putnam.....	{ <i>Journal of Insurance</i> <i>Economics.</i>
W. E. Grigsby.....	
C. M. Cartwright.....	<i>Rough Notes.</i>
C. M. Cartwright.....	<i>Western Underwriter.</i>
H. W. Bloomington.....	<i>The Investigator.</i>
P. J. McKean.....	<i>The Argus.</i>
Thos. R. Weddell.....	<i>Inter-Ocean.</i>
C. I. Hitchcock.....	<i>Times-Herald.</i>
M. G. Coward.....	<i>Chicago Tribune.</i>

The President—

Gentlemen, the meeting will please come to order. The first order of business is the roll-call and the reading of the minutes.

Mr. E. V. Munn—

I move that the roll-call and the reading of the minutes of the last meeting be dispensed with.

Mr. T. H. Smith—

I second the motion.

Motion put by the Chair, and carried unanimously.

The President—

The next order of business is the report of the Secretary.

REPORT OF SECRETARY.

Mr. D. S. Wagner—

September 26, 1900.

Membership at convening of 1899 meeting.....	538
Admitted at 1899 session.....	64
Total.....	602
Deaths since 1899 session.....	5
	597
Resignations and Delinquents.....	5
Present Membership.....	592

Respectfully submitted,

D. S. WAGNER, *Secretary.*

The President—

Gentlemen, you have heard the Secretary's report. What will you do with it?

Mr. Munson—

I move that the report of the Secretary be accepted and placed on file.

Motion seconded by Mr. Munn and carried unanimously.

The President—

The next order of business is the report of the Treasurer.

REPORT OF TREASURER.

Mr. Kelsey—

RECEIPTS.

Sept. 29, 1899. To Balance.....		\$1,903.13
1 New Member, Year 1898.....	\$ 6.00	
57 New Members, Year 1899.....	342.00	
Dues 1897	10.00	
Dues 1898	135.00	
Dues 1899	2,360.00	
Dues 1899—Associate	5.00	
Sale of Proceedings.....	12.00	2,870.00
Total Receipts		<hr/> \$4,773.13

DISBURSEMENTS.

Salary of Secretary.....	\$450.00	
Salary of Treasurer.....	150.00	
Printing	516.80	
Reporting Proceedings	75.00	
Rent	300.00	
Postage, Express and Exchange.....	76.52	
Miscellaneous Items	60.50	1,628.82
Balance on hand.....		<hr/> \$3,144.31

Examined and found correct.

S. E. CATE.

J. O. LEE.

HOWARD DE MOTT.

Finance Committee.

ILLINOIS TRUST AND SAVINGS BANK.

CHICAGO, ILL., September 24, 1900.

MR. J. A. KELSEY, *Treasurer, City.*

DEAR SIR: The balance to the credit of your account with us, according to our books, at the close of business September 22, 1900, was three thousand one hundred sixty-nine and 31-100 dollars (\$3,169.31).

Yours truly,

JAS. S. GIBBS, *Cashier.*

Balance as above.....	\$3,169.31
Less Cheque No. 62, outstanding.....	25.00
	<hr/>
Balance on hand September 24, 1900.....	\$3,144.31

The President—

This report has been examined and found correct by the Finance Committee, and we have a certificate from the Illinois Trust and Savings Bank to the effect that this money is on deposit there.

Gentlemen, this Association has never been in as good financial condition as it is to-day, largely due to the proper attention given it by the members, and the very able and efficient manner in which its accounts have been kept by Mr. Kelsey.

(Applause.)

You have heard the report of the Treasurer. What is your pleasure?

Mr. Cyrus Woodbury—

I move that the report of the Treasurer be received and approved by this Association.

Mr. T. H. Smith—

I second the motion.

Motion put by the Chair, and carried unanimously.

The President—

The Secretary has a further report to make.

The Secretary—

I will read the following names of applicants for election to membership in this Association, which names have been acted upon favorably by the Board of Directors.

NEW MEMBERS.

NAME.	ADDRESS.	TITLE.	COMPANY.
Adams John H.,	St. Louis, Mo.,	Secretary,	American Central Ins. Co.
Anderson, Lew W.,	Cedar Rapids, Ia.,	Special Agent,	Springfield F. & M. Ins. Co.
Barnum Raynolds,	Chicago, Ill.,	Special Agent,	Glens Falls Ins. Co.
Beeson A. G.,	Omaha, Neb.,	Inspector.	
Birch W. H.,	West Superior, Wis.,	Surveyor.	
Bloom Chas. H.,	Detroit, Mich.,	Special Agent,	Michigan F. & M. Ins. Co.
Bort L. W.,	Beloit, Wis.,	Special Agent,	Niagara Fire Ins. Co.
Bremer J. D.,	Chicago, Ill.,	Manager,	Manhattan Fire Ins. Co.
Caldwell J. T.,	Chicago, Ill.,	Inspector,	Millers' National Ins. Co.
Collins B. F.,	Kansas City, Mo.,	Special Agent,	Greenwich Ins. Co.
Cromer John B.,	Indianapolis, Ind.,	State Agent,	Home Ins. Co., N. Y.
Dale Walter H.,	Omaha, Neb.,	Special Agent,	Manchester Fire Assur. Co.
Darlington Hart,	Madison, Wis.,	Special Agent,	Royal Ins. Co.
Deans Wm. A.,	Denver, Col.,	Special Agent,	For C. D. Cobb & Co.
Dinsley B.,	Chicago, Ill.,	Inspector,	Millers' National Ins. Co.
Dow B. B.,	Chicago, Ill.,	Special Agent,	Queen Ins. Co.
Dox Chas. E.,	Chicago, Ill.,	Manager,	Orient Ins. Co.
Duffey B. T.,	Detroit, Mich.,	Special Agent,	Royal Ins. Co.
Easton C. L.,	Minneapolis, Minn.,	Special Agent,	Aachen & Munich Fire Ins. Co.
Port C. W.,	Kansas City, Mo.,	Special Agent,	Home Ins. Co., N. Y.
Freeman E. S.,	Omaha, Neb.,	Special Agent,	Milwaukee Mechanics Ins. Co.
Gilmore B. J.,	Chicago, Ill.,	Special Agent,	Royal Exchange Assurance.
Goddard B. H.,	Ogden, Utah,	Special Agent,	Liverp. & London & Globe Ins. Co.
Gray Howard A.,	Chicago, Ill.,	Special Agent,	Hanover Fire Ins. Co.
Haselton F. C.,	Springfield, Ill.,	Special Agent,	Ætna Ins. Co.
Head N. S.,	Minneapolis, Minn.,	Special Agent,	Franklin Fire Ins. Co.
Hendry John E.,	Chicago, Ill.,	Spl. Agt. & Adj.,	Royal Exchange Assurance.
Huff H. M.,	Chicago, Ill.,	State Agent,	Merchants Ins. Co., N. J.
Kibbee C. W.,	Minneapolis, Minn.,	General Agent,	County of Phila.
Kuhn Richard W.,	Denver, Col.,	Special Agent,	Royal Ins. Co.
Lotz Fred W.,	Chicago, Ill.,	Asst. Secretary,	Westchester Fire Ins. Co.
Lyster George,	Thorntown, Ind.,	Adjuster,	Continental Ins. Co., N. Y.
McCullough R. G.,	Indianapolis, Ind.,	Special Agent,	Connecticut Fire Ins. Co.
McDonald J. J.,	Chicago, Ill.,	Manager,	Connecticut Fire Ins. Co.
McElhone F. H.,	Chicago, Ill.,	Manager,	Fireman's Fund Ins. Co.
Morgan E. D.,	Columbus, Ohio,	State Agent,	Home Ins. Co., N. Y.
Murray H. W.,	Chicago, Ill.,	Special Agent,	Aachen & Munich Fire Ins. Co.
Parker Louis H.,	Chicago, Ill.,	General Agent,	Weed & Kennedy.
Preston Chas. P.,	Minneapolis, Minn.,	Special Agent,	Michigan F. & M. Ins. Co.
Redfield Geo. E. Jr.,	Chicago, Ill.,	Special Agent,	Farmers' Fire Ins. Co.
Riddle Herbert W.,	Terre Haute, Ind.,	Special Agent,	Phenix Ins. Co., N. Y.
Rothier J. C.,	Cincinnati, Ohio,	Special Agent,	Orient Ins. Co.
Schreiber Thor.,	Chicago, Ill.,	Special Agent,	Grand Rapids Fire Ins. Co.
Shepherd John,	Kansas City, Mo.,	Special Agent,	Magdeburg Fire Ins. Co.
Silkworth C. H.,	Chicago, Ill.,	Special Agent,	Magdeburg Fire Ins. Co.
Sonnen W. J.,	Chicago, Ill.,	Special Agent,	St. Paul F. & M. Ins. Co.
Spencer C. H.,	Minneapolis, Minn.,	Secretary,	Minneapolis F. & M. Ins. Co.
Sullivan J. R.,	Milwaukee, Wis.,	Inspector.	
Tallman J. B.,	Chicago, Ill.,	Inspector,	Manchester Fire Assur. Co.
Thomson F. R.,	Minneapolis, Minn.,	Special Agent,	Northern Assur. Co.
Ticknor Fred,	Peoria, Ill.,	Inspector.	
Valentine Geo. S.,	Minneapolis, Minn.,	Special Agent,	Ins. Co. of the State of Pa.
Warner Lansing B.,	Chicago, Ill.,	Special Agent,	Home Ins. Co., N. Y.
Webster O. A.,	Grand Forks, N. D.,	Special Agent,	Commercial Union Assur. Co.
Whilden Wm. G.,	Chicago, Ill.,		Prussian National Ins. Co.
Wright W. J.,	Columbus, Ohio,	State Agent,	Home Ins. Co., N. Y.
Young Chas. O.,	Des Moines, Iowa,	Special Agent,	National Assur. Co. of Ireland.
Young John R.,	Louisville, Ky.,	Special Agent,	Delaware & Reliance Ins. Cos.

There is one other name that I wish to refer to this Association. One of our oldest members, in fact, the member who signed the first call for the first meeting of this Association, has been in financial straits for a few years past, owing to numerous reasons, and I would suggest that a resolution be passed to place his name on the list of honorary members. I refer to Mr. W. F. Fox.

The President—

Gentlemen, you have heard the names presented for election to membership of this Association. What is your pleasure?

Mr. H. N. Wood—

I move that the names recommended by the Board of Directors be admitted to full membership in this Association, and that action by the Board be taken to indorse Mr. Fox as being placed on the honorary membership list.

Mr. T. H. Smith—

I second the motion.

Motion put by the Chair, and carried unanimously.

Vice-President Cyrus Woodbury was here called to the chair, and the President then read the following address:

PRESIDENT'S ADDRESS.

Mr. Greely—

GENTLEMEN OF THE FIRE UNDERWRITERS' ASSOCIATION OF THE NORTHWEST:

It is to-day my privilege and my very great pleasure to welcome you, one and all—members, guests and representatives of the press—to our thirty-first annual gathering.

'Tis a matter of no small moment that we are able to say, after the vicissitudes through which the business of insurance has passed during the thirty years of our existence, that the Fire Underwriters' Association of the Northwest has fulfilled the hope and promise of its founders. Following the lines laid down by them, we have an Association to-day composed of representatives of all classes of fire insurance companies—an Association which is broad-minded in its views and reasonable in its judgments, open to the discussion of fire insurance and receptive in all matters of educational import. And our strength lies in, and can only be maintained by, keeping the object of our Association closely in view—that we are purely an educational and not an executive body.

There has been, during the past thirty years, no time when an intelligent, earnest and honest discussion of fire insurance problems is so important as at the present. And it is my purpose to make my

address as brief as possible, that as little time as may be shall be lost to those who come after in the reading of valuable papers and their subsequent discussion.

One matter, however, I wish particularly to speak of—that of a permanent Library Committee. I believe that we should have such a committee, and that it should be allowed sufficient funds to purchase, from time to time, all known publications on fire insurance subjects, local and foreign. We are financially abundantly able to do this, and it should be our ambition to increase our present library and, in time, possess one of the finest in existence. In this connection I also wish to advise that the Library Committee dispose of the accumulation of printed proceedings of our Association, containing addresses and papers upon all fire insurance topics—legal, ethical, and technical—by many of the best writers of our profession. A number of these addresses were delivered by members who have since passed away, but are still with us in these helpful contributions. In fact, to the busy underwriter who has not time to delve deeply into technical subjects, a complete set of our proceedings, since organization, forms an insurance library in itself.

Since our last meeting we have suffered the loss of five of our most honored members:

Eugene Harbeck, General Agent of the Phenix of Brooklyn, and ex-President of this Association and of the Western Union.

George Crooke, who spent the better part of his life in field and managerial work in the Western Department of the Liverpool and London and Globe, and whose last days were spent as manager of the Western Adjustment and Inspection Company.

S. S. Eaton, the oldest and most prominent insurance man in Minnesota, who has filled all stations in our profession.

David Strickler, Secretary of the Farmers of York; and

W. A. Lyon, of Chicago, Special Agent of the National of Hartford.

Following the general custom of our organization, I have appointed the following committees on resolutions to be presented at this meeting, upon the death of each of the members above mentioned, who will report during the session to-morrow.

Upon the death of EUGENE HARBECK—I. J. Lewis, J. H. Lenehan, Eugene Cary, George W. Law and H. C. Eddy.

Upon the death of GEORGE CROOKE—M. S. Woodward, George H. Moore, George M. Lyon and D. S. Wagner.

Upon the death of S. S. EATON—C. B. Gilbert, R. J. Smith and H. C. Alverson.

Upon the death of DAVID STRICKLER—E. F. De Forest, Joel W. Hubble and D. A. Rudy.

Upon the death of W. A. LYON—Frank Ritchie, W. L. King and John C. Ingram.

Some of our wisest members and our truest friends have left us, but we are the inheritors of the kindly and helpful influence which they have shed upon us, and it cannot be taken from us. It lives with us to-day, and will help us in our efforts toward better conditions.

That present conditions, in many ways, are unsatisfactory, we are all too well aware. That they must, sooner or later, be met and dealt with according to the demands for better conditions, we are equally conscious.

One way there is in which many of the irregularities at present offending us may be overcome: by each individual member asserting his manly prerogative to be honest, let it carry him where it may; by doing away with the crutch of self-justification for irregular practices, on account of the bad practices of others, and daring to walk alone and upright, even though at first he may fall and break a few bones. Broken bones are easily mended, but corrupted honor, never; and, like a deadly pestilence, it infects the entire community with its impurities.

There is nothing in our business which will so help us to a higher and better condition of things, as a wholesome, healthy, manly effort on the part of each individual member to be self-respecting in the conduct of his business.

(Applause.)

The Chair (Mr. Woodbury)—

Gentlemen, we have listened with great interest to our President's Address, which contains some important questions that should be given due consideration. The custom has been to refer the Address to a Committee of five. What is your pleasure, gentlemen?

Mr. Frank A. Vernor—

I move that the President's Address be referred to a special Committee of five, with directions to report a resolution expressing the sentiments of this Association, and recommending such action as seems necessary under the circumstances.

Mr. D. W. Andrews—

I second the motion.

Which motion was adopted.

COMMITTEE ON PRESIDENT'S ADDRESS.

The President—

I will appoint on that Committee:

HOWARD DE MOTT.

F. H. WHITNEY.

H. H. FRIEDLY.

W. O. CHAMBERLIN.

F. A. VERNOR.

(Here the President resumed the chair.)

The President—

We will now listen to the Special Report of the Finance Committee referred to in Mr. Kelsey's report.

REPORT OF FINANCE COMMITTEE.

Mr. Cate—

CHICAGO, ILL., September 25, 1900.

To Members of the Fire Underwriters' Association of the Northwest

GENTLEMEN: We, the undersigned Finance Committee, respectfully report that we have examined in detail the books and accounts of Mr. J. A. Kelsey, Treasurer of this Association, and find same to be absolutely correct, and we are pleased to say that this report shows a balance on hand in the Illinois Trust and Savings Bank at this date of \$3,144.31. This is the largest amount of net cash balance on hand that this Association has ever shown. We wish, in this report, to commend the very excellent way in which the Treasurer's accounts are kept, being very systematic and thorough.

Yours very truly,

S. E. CATE, *Chairman.*

J. O. LEE.

HOWARD DE MOTT.

The President—

Gentlemen, you have heard the report. What is your pleasure?

Mr. John H. Griffith—

I move that this report be adopted and placed on file.

Mr. Woodbury—

I second the motion.

Motion carried unanimously.

The President—

Gentlemen, the Annual Address will be delivered this year by a man most of us have known for many years. He started in our profession in early life, and has advanced from time to time, most of the time employed in field work. While now Secretary of the American Central Insurance Company, most of the fieldmen still claim him as their own. From his wide experience, from his natural ability, and from his sterling character, I know that it will be our own fault if his address does not contain for us many good and valuable suggestions.

Gentlemen, it is with much pleasure I have the honor of introducing Mr. John H. Adams of St. Louis, Mo.

(Applause.)

ANNUAL ADDRESS.

Mr. John H. Adams—

MR. PRESIDENT AND GENTLEMEN OF THE FIRE UNDERWRITERS' ASSOCIATION OF THE NORTHWEST:

"Where are we at?" "Up against it." "What are you going to do about it?"

No doubt many of my hearers will conclude, from this introduction, that I have entered the realm of slang for my subject, and that I will attempt to be funny in the discussion presented; but at the very threshold of this paper I desire to assure you that such is not my intention; *far from it*—as the business in which we are engaged is in too serious a condition to-day, to allow a light and trifling treatment, from any source.

My subject was adopted from a conversation heard in the private office of the President of a Missouri company in St. Louis, only a short time since, where the Manager of a great foreign insurance company met, by chance, the Manager of equally as great an American insurance company. After the customary salutations and complimentary references as to health and appearances, the matter of business was broached and discussed, with strong allusions to "heavy losses," "increased expenses," and "low rates." Whereupon the Manager of the foreign company inquired, "Where are we at?" to which the stern and solid Manager of the American company promptly replied: "Up against it," and then the President of the Missouri company wheeled round in his office chair, and, with earnestness in every line of his face, and in a subdued voice, asked the two Managers: "What are you going to do about it?" And, to my astonishment and disappointment, there came a prompt and simultaneous response from each: *"I don't know."*

There sat "Age and Experience" asking "Age and Experience" what could be done to better the conditions of our business, and "Age and Experience" very promptly and frankly admitted, *"I don't know."*

The question naturally came to my mind at once that if these able and experienced underwriters, from their controlling positions and close relations with every phase of the business, were unable to present even a suggestion as to how best to solve present difficulties, how can we, the Local Agents, the Special and State Agents, and the "*middle men*," officially, make and apply a balm with healing in it? There is no denying the fact that our business is in a sorry plight, and I propose now to make some pertinent statements as to present conditions, their causes, and a few remedies which, I believe, if promptly and earnestly applied will, at least, have a tendency to a betterment of the most unfortunate conditions prevailing in nearly every nook and corner of our broad land.

For nearly three years the business of fire insurance has been in

an unsatisfactory condition. Probably that expression is inadequate. It is nearer our thought to say that it has been in a critical condition. It has lost a great deal of blood; by some its life has been despaired of. The annual address of the President of the National Board, recently delivered in New York, has sounded the mournful note befitting the sad occasion. Like the prophet's roll, it is written, within and without, with lamentations, and mourning, and woe; and the tone of this National document is only the echo of the common talk of the streets, on both sides of which we hear only weeping, and wailing, and gnashing of teeth, with no Moses in sight to lead us out of our wilderness of despair. But instead, we hear one of our great underwriters ask, "Where are we at?" and another one asserts that "We are up against it," and a third one propounds the awful conundrum: "What are you going to do about it?"

For two years and more we have been wringing our hands and crying out that all is lost. Some wise heads have gone so far as to have tables constructed to show "insurance on the down grade," and we have ended by actually believing them, and asserting that "*figures won't lie.*"

We have talked ourselves into a panic, and the panic has gone on from top to bottom, and from side to side, and produced unhappy results. As a consequence, we have seen leaders, men of capacity and force, standing bewildered in the midst of the storm, or going down before it. We have seen men of experience groping in the darkness and asking, "Where are we at?" thus admitting that they had lost their way, when, in fact, they were only "up against it," and did not know, for the time being, what they "were going to do about it." We have seen the company pound and harass the Manager until his policy became as fickle and changeable as the vane on the church-steeple; we have seen the Manager, in turn, harass and worry his Specials, until those astute and omniscient persons owned to being rattled and knowing not which way to turn or which course to pursue. We have seen the Manager and the Special, rattled beyond knowing "where they were at" themselves, unite and worry the Local Agent, until *he* didn't know whether it was frame planing-mills or brick dwellings that are on the prohibited list. Every level of the business has been pervaded by the acrid atmosphere of uncertainty, and dissatisfaction, and dread, which has spoiled our tempers and killed our courage, and marred our work, and cost the companies millions they need not have lost. It has been, in its way, a reign of terror. To anyone who takes pride in the business, the failure of intelligent effort, the general confession of helplessness, the overthrow of men of mark, the gloom and forebodings during the past two years or more, have been pitiful; they have been humiliating. It has seemed at times as if the spirit of counsel and direction had left us; that we had forgotten that we came of a race that is strongest in adversity—a race that does not suffer itself to be crowded to the wall

by man or circumstance. It is not a pleasant episode to look back upon. We have not behaved under fire as we *should* have done. But the time for that sort of thing is past, if there ever was a time for such a thing. Let us put it behind us. Let us resume our courage, and the helm; cease asking "where we are at," quit asserting that "we are up against it," *for we are not*. Never again knit a massive brow, or any other kind of a brow for that, and ask, "What are you going to do about it?" Let us go to work and find out what we ought to do "for the good of the business," then go about it with earnestness and intelligence, *and do it*.

Permit me to-day to speak to you of faith and good works. Allow me to counsel faith in the permanent profitableness in the business of fire underwriting; to counsel intelligent and courageous action in strengthening its weak points, and to bring it into line with the demands of modern trade. It is not too late for faith, energy, and good works to redeem imperilled fortunes. My plea for faith in fire underwriting; for an unswerving belief that it is a good thing; that it holds a well-earned place in modern business and in modern civilization; that business and society will pay a sufficient price for it—will insist upon its being permanently profitable. My plea, I say, for faith in the business, as fulfilling all these conditions, is based equally upon its past history and on its present standing and conditions. Admitting that there has been cause for wariness, for discriminating judgment, and even for anxious carefulness during the past two or more years, there has absolutely been no *real* cause for the panic that has possessed us. It was unworthy of brave men and, above all, it has no justification in underwriting experiences.

Parallel to the panicky conditions prevailing in the minds of many of our fraternity to-day, permit me to relate here an incident that occurred in the financial panic of 1893, told to me by a friend soon after its occurrence. It is a remarkable instance of the kind of self-inflicted terror which is to-day warping the judgment of men in high places and causing them to wonder "where we are at," and to insist vehemently that we are "up against it," and at the same time know not how to remove the adamantine obstacles that they *imagine* confront them. My friend's story ran something like this:

"I called on an official of one of our greatest companies. After the first civilities were exchanged, the talk gradually drifted to the outlook of the business. He immediately launched forth into complaints and forebodings. 'The business,' he said, 'was going to the dogs.' His company had not made anything out of its underwriting for a long time. Every cent it had made for some time back had been made from what he was pleased to call '*its banking*.'"

"The statement struck me as a very singular one," said my friend. "Was it true? Could it be true? Could it be possible that so great a company was maintaining its vast and costly machinery of underwriting for naught? Moreover, the statement offended me. It dis-

paraged the intelligent work of that vast army of good men with whom I am proud to be associated in ever so humble a capacity, men who have expended their intelligence and energies and lives in building up the business of fire underwriting, and have succeeded, and so I determined to investigate.

"I looked up that company's records and examined its statements for twenty years, and the result was as gratifying as it was extraordinary. I found that of all of its large capital less than one-fourth had been paid in cash. More than three-fourths had been paid up in dividends declared out of the profits of underwriting—out of *surplus premiums*—during the twenty years, including 1893. Its fire premiums had paid its losses, had paid its expenses, had paid its dividends (among the largest paid by any company), had increased its capital stock 25 per cent., and had added a quarter of a million besides to its net surplus. Its fire premiums, I say, had done all this, and the records of the five years, and the records of 1893, did not show an appreciable impairment of the monotonous profitableness of the underwriting done for that company by its Managers and Agents.

"The company was healthy and making adipose, and had no more grounds for complaint against the established order than Astor or Vanderbilt, but the man had worried himself into believing that things were 'going to the dogs,' and had made himself at once a martyr and a missionary of fear."

That underwriter was a strong character, a man among men. Success had crowned his every effort in his chosen profession, and he stood before the insurance world a leader whom we all deemed it a privilege to follow, but the misfortune of but one short year and a half had seized hold of him, only to destroy his courage, to warp his judgment, and to drive from him all hope for the business that he had given forty years or more of his life to build up.

But that sad spectacle is no more sad than many that we have been called upon to witness during the past two years. Every day, and even into the darkness of the night, we hear the constant wail: "heavy losses," "increased expenses," "low rates," followed by predictions of disaster and ruin, with the added assertion that "*there is no money in the business.*" Notwithstanding all these lamentations constantly falling upon us from the housetops, I again assert that there is no lack of support for faith and hope in fire underwriting.

Here is one that wove its sustaining tendrils around me as I investigated the progress of the company whose Manager, in his hypochondriacal temper, insisted to my friend that "the business was going to the dogs."

While analyzing the annual statements of that company, to ascertain, if possible, the cause of his despondence, I came upon the trail of a batch of companies that, thanks to their iron constitutions and indomitable courage, have been able to stay with "*poor old Missouri*" for twenty-six years. I analyzed their statements also, and their

experience is worth recording for those who think and say, or who want to think and say, that "there is no money in the business of fire underwriting."

On December 31st, 1873, there were 115 American companies doing business in Missouri.

On December 31st, 1899, just twenty-six years later, there were forty-one of them still doing business at the old stand.

The salient facts concerning these forty-one companies on December 31st, 1873, were as follows:

Capital	\$19,500,000
Assets	51,500,000
Annual Premium income.....	34,400,000
Net surplus	5,900,000

The same facts concerning the same forty-one companies on December 31st, 1899, twenty-six years later, were as follows:

Capital	\$33,500,000
Assets	161,118,000
Annual Premium income.....	67,531,000
Net surplus	53,300,000

Being an increase in twenty-six years of:

- 72 per cent. in capital.
- 212 per cent. in assets.
- 96 per cent. in annual premium income.
- 803½ per cent. in net surplus.

This is the record brought down to December 31st, 1899. With such a twenty-six years' record, with such a reserve of accumulated profits, why should one disastrous year or two, *or even five*, unnerve us? What protected industry has done better in the same years?

Do we expect forever to be blown by fitful gales toward happy harbors, over summer seas, in this world of sin and sorrow? Nay, nay. But, doubtless some will say that this is all misleading. You have only accounted for forty-one companies out of 115. What about the seventy and four? If the business has been so profitable, what has become of them?

While such a question is entirely irrelevant, because all profitable lines of business are strewn with wrecks—wrecks of the incompetent, wrecks of the dishonest, wrecks of the unfit of every type—yet I will answer it this way: These seventy-four are not lost; we cannot even say that they are gone on before. They are still at work among us, and in infinitely more effective shape, eight of them pursuing the noiseless tenor of their way in their native villages, while sixty-six, by a happy transmigration, have been transferred to larger and more useful spheres of labor. Some of them are among the twenty-one assimilated by the Home of New York, and contributing much brawn and muscle to that huge frame. Some among the twenty-six whose succulent tissues built up the "fair round belly with

capon lined" of the German-American. Some among the thirteen who furnished blood corpuscles to the Phenix of Brooklyn. Some among the eight whose livers the National of Hartford ate with its bread, and among the six over whose tidbits the Continental is still picking its teeth, and among those others of the cheaper brand, and fewer to the plate, who were taken in by less opulent stomachs. Their souls—if corporations have souls—have returned to them that gave them—the *stockholders*;—while their grosser part—their business—has entered, like other nutritive matter, into other corporeal existence, which it has built up and made stronger, more effective; in fact, it is on such meat as this, that "our Cæsars feed that they have grown so great"—pure extract of premium, extract of underwriting beef—not on banking.

Why should not brains, and energy, and courage, and experience earn survival in fire insurance as in all other business, and why should not the unequipped and unfit disappear?

I look upon the absorption of these sixty-six as the greatest possible proof of the native health and vigor and permanent profitability of the business. Fire underwriting has been, is now, and ever shall be a profitable business, when properly and energetically conducted. All the figures that have been concocted to prove that well-managed companies have lost money, are a lie. Three unprofitable years or more, we admit, but what are they among so many? We admit disasters enough, and not without blame to ourselves, to make us careful, circumspect, grave, possibly anxious; but panic-stricken or cowardly, never. Such a temper is a crime against the business.

I am quite sure that you have already grown weary of my pessimistic presentation of conditions, and I will now turn to a brief discussion of a few of the causes that have produced the unhappy and unsatisfactory effects that I have been relating.

Now, what is the matter with fire underwriting? It is generally admitted that it is wrong somewhere; even its best friends admit that, though I, for one, deny that there is anything *permanently* wrong, anything very *dangerously* wrong, anything that will prevent well-managed companies from continuing to make and pay dividends as usual. What is the matter? A whole chorus of managerial voices responds: "Losses are the matter. We are being burnt out." "Expenses are the matter. We are paying too much for the business." "Rates are the matter. They are not adequate; they are too low. The rates we are getting these days are simply ruinous." "Our resources are diminishing; our liabilities are accumulating." "We are carrying a much larger liability this year than we did last year, and getting less for it."

Well, that is pretty bad, to be sure. But take losses to begin with. Is the ratio of loss worse than it was twenty-five years ago? I often hear officers and Managers of companies speak of 1873, 1874 and 1875 as a sort of "good old times" of underwriting. Are the

losses to-day, even of 1899, if you please, worse than in 1873? Does it cost more to pay the loss on the average \$100 of insurance to-day than it did in 1873? If it does, should we be hasty to admit or advertise it? What does it mean when we say that it costs more to insure \$100 in 1899 than it did in 1873? Does it not mean that twenty-six years of our labor, our intelligence, our activity in devising improvements, superintending construction, inspecting risks, acquiring knowledge, making rates to fit, and then watching the business with hawk-like keenness unknown to former generations, have resulted in increased loss? Can we afford to have that get abroad? Does it mean that the visible, actual improvements of the country, the progress, the turning of frame towns into bricks—for which the companies have paid; the changing of the construction of buildings in great cities from fire-traps into fortresses—for which the companies have paid; the invention of all sorts of fire-preventing and fire-extinguishing appliances, and the perfecting of municipal fire departments—for which the companies have paid; that all this has resulted in increased loss? Can such a thing be true? Nonsense! Our intelligence rebels against such a proposition; it is a slander on progress in our business. Our years of labor and the companies' millions have *not* been spent in vain. It does *not* cost more; it *does* cost less to pay the loss on \$100 at risk now, in 1900, than it did in the "good old days" of 1873, and the difference represents our work and the companies' expenditures.

In the five years, 1873 to 1877 inclusive, the loss on each \$100 at risk, as shown in the returns of companies doing more than half the business of the whole country, was 51½ cents; in the five years, 1894 to 1898 inclusive, the loss on each \$100 at risk was only 39 cents, and the whole bitterness of 1899 consisted in the fact that for one year, and that only one in nearly a quarter of a century, our work was undone; that for *one year* the country ignored its own progress and went back to the loss ratio of 1873, a year in which we have the words of those high in authority, *were happy days*. It is but reasonable, then, that we must conclude that the crux of the situation is not loss ratio. Expense? Some think the whole trouble is in the expense. Some very wise and very notable officers and Managers think—at least they assert it—that you can stop the whole hemorrhage of the business with a little wad torn from the agents' commission, the way our forefathers stopped the bleeding when they shaved themselves, with a little wad or cobweb or nap of a silk hat. Some of you older ones have seen the "old man" do that many times. They *think* they can; they can't do any such thing. Expense is not the bottom of this trouble. Whatever expense is necessary to get the business, the business is able to bear and pay for. It was 30 per cent. in 1873, it was 35 per cent. in 1893 and 39 8-10 per cent. in 1899—less than 10 per cent. in twenty-six years! There's no panic in that. Life and death do not hang on that. Expenses *may* be too high; if they are, cut them

down; but let me tell you, expense is going to be greater before it will be less, and the life of the business doesn't rest at present, for weal or woe, on the expense ratio. If the companies think so, they should cut them down, but I beg that they will allow me to admonish them that they can't do all the cutting on the agents' commissions. The agents must be the very last to suffer blood-letting. They are too near the people, too near the business of the country, thus forming the very basis of fire underwriting. Begin your cutting, gentlemen, first, in the high places—the higher up, the deeper the cut. It can be endured with less pain in the high places, but spare the earnest, hard-working, business-getting, poorly-paid agent. Under your wise guidance of the agent rests your future.

Rates? Some of our wisest underwriters assert most earnestly that the trouble is in the rates. They say: "Rates are too low." "Get good rates and you are all right." "Advance rates!" "Advance rates!" is the cry that comes to us from every quarter. An advance in rates will of course prove a tonic that will stimulate the enfeebled patient for a time, but it will never effect a permanent cure, unless we put a stop, at the same time, to the loading on of the malaria of term risks at thin rates, double-header companies and agencies that breed discontent, along with the very worst competition known to our business—overhead writing that deprives your own agents of the commission income that justly and rightly belongs to them, and many other poisoning practices, harmful to the business, so well known to underwriters that it is useless to enumerate at greater length. Now, what are rates? I write a policy for \$5,000 for one year at one per cent. and the transaction duly appears in the great annual "National Document": Amount written, \$5,000; premium, \$50; rate, \$1. Next year I renew the same policy on the same risk for *five* years at one and one-half per cent., and this transaction figures as: Amount written, \$5,000; premium, \$75; rate, \$1.50; and we congratulate ourselves on the noticeable improvement in rate.

Is that an increase in rates? What do you mean by rates? Rates are paper money, good if redeemable at their face—at *their face, mind you*—in premium, and they have not been at par for more than twenty years; they have not been convertible on demand into the gold coin of premium during all that time. You have kept Boards, Unions, Middle Departments, South-Eastern Tariff Associations, and Pacific Unions, making rates, agreeing on rates, and publishing rates, but you have not cashed your rates in premiums. You have discounted them for what you call *term* premiums, and depreciated them, and *there* is where your trouble is. This is why in 1873 you could pay a loss of fifty-two cents on the \$100 and make money and be happy; and why in 1899, with almost as good rates, it broke your hearts and threatened to break some of your companies, to pay a loss of a little more than sixty cents on the \$100.

Twenty-five years ago your annual premium receipts were equal to 90 per cent. of the premiums on the whole amount at risk; in 1899 your annual premium receipts were only 39 per cent. of the premiums on the whole amount at risk. In 1873 your annual premium receipts carried the amount at risk thirteen months; in 1899 your annual premium receipts *had* to carry the amount at risk very nearly, if not quite, thirty months. In 1873 you had to pay the losses on thirteen months' business every twelve months; in 1899 you had to pay the losses on very nearly thirty months' business every twelve months. You spread your premiums out too thin, and they could not carry the load that 1899 piled on them. There is but little difference in the rates on the business written. Five Hartford companies showed an annual rate of 1.216 per cent. in the five years, 1873-1877. From 1895 to 1899 they show 1.163—a loss of only 4.4 cents per \$100. Four New York companies showed a rate of .9989 per cent. in 1873 to 1877; they now show .945 per cent.—a very small loss of less than 5.4 cents. Five Western and three English companies that showed 1.59 and 1.29 respectively in 1873 to 1877, now show 1.24 and .90 cents respectively. The combined averages of these seventeen great companies in 1873 to 1877, was 1.175, and in 1899, 1.053, a reduction of 10.4 per cent. in rate on risks written, but the average ratio of the annual premium to the amount at risk in 1873, 1.05 cents, in 1899 only .73 cents—a reduction of 30.5 per cent. in ratio of premiums to premiums on amount at risk.

There you have the secret of your distress. You have discounted the vast improvements of a quarter of a century or more. You have done it, not by lowering rates, but by extending the term, and while you could have safely extended the term to a certain limit, following the reduction in the loss ratio, you have, in your enthusiasm, extended too far, for you cannot pay an extraordinary loss on thirty months' business with the ordinary premium of twelve months, and that is what you have been *trying* to do. In ordinary years you could do it, but these years are extraordinary. That is what is the matter with underwriting, and again I say that while the situation contains an element of danger, it offers no excuse for panic.

Term risks will be written in larger proportions, not in less proportions, to annual risks, as time goes on, and you must live and make money while their proportion is increasing. But see to it, gentlemen, in the official and managerial chairs, that term risks and expenses do not increase in a faster ratio than your loss ratio diminishes, or you will be in this kind of "hot-water" trouble all the time.

Before presenting any remedies for the evils that affect us, and some of which have been enumerated, I wish to say a few words on the necessity of keeping fire insurance abreast of the requirements of modern business. I wish to plead for the faith in the future of this people that will give modern business all it wants and needs. One of the features of modern business is the concentration of values.

Modern business, therefore, demands largely increased lines. Concentration of values we have, however, found meant concentration of losses for two or more years; and in our recoil from the losses of these years we cut down the allowance one-fourth to one-half. In our panic we are, therefore, running directly counter to the requirements of our modern business. Modern business has accordingly created a medium of insurance itself, and procured the lines it needed outside of us, and this new kind of insurance has not been long in calling fire extinguishers to its assistance. The automatic sprinkler has been introduced into large area, and high-rated risks, nearly all of them. By the introduction of these automatic fire extinguishing appliances these risks of great area and high hazard have been transferred from the class of special hazards into the class of preferred risks. But we refused to see it, and we have kept on letting all sorts of mongrels pick up these important risks—Lloyds, Mutuels, Individual Underwriters, and what not—until a vast mass of the best business is out of our hands at the present time.

Now here is an opportunity for the old-line companies to join hands with modern business. The old-line companies can now have the preference at 25 per cent. difference in rate in their favor. Now is certainly the opportune time. Will we take advantage of it? We cannot have that preference a year or more from now, when merchants and manufacturers have been paid a few losses by the concerns now carrying them. Protected business is absolutely good and profitable at one-half the rates you can obtain for it, and you ought to keep it. Increase your courage and take it. If you lose it now you may indeed get it back at any time when you go after it, but not at the prices at which you can get it now. Your prestige will be gone, your superiority questioned, your rates scouted. You will no longer be the arbiters of the situation. When you want the business back you must bid for it, and be content to take it at half price or less. Gentlemen, this is not business. There ought not to be a Lloyds, or a Mutual, or an Individual Underwriter permitted to be on any well-equipped sprinkled risk, or on any first-class risk of any kind. Protected risks are good insurance at almost any rate, and are safe for lines of almost any size. They require constant inspection, it is true, but the business has already developed great inspecting talent that is most valuable, and it is better to inspect business than not to have it. A large amount of the business already equipped, and all the business to be equipped, can be obtained and held at a discriminating rate in your favor. Take this business and hold it. You must have premiums if you would survive. Let the companies who do believe in protected business take, yes, snap up, the lines of the companies who do not believe in it. Look at the records of the companies that believe in protected business, and have shown evidences of the sincerity of their belief by writing it, and from which they have made a profit; look at these profits, gentlemen. Hold the business at any

cost; keep in touch with the requirements of business; be of service to the trade of the country. It will not be long before every improved risk in the country is equipped—sooner or later *all* will be equipped. Business is alive to the necessities of the times. Is the business going to be on your books? If not, what business *will* be on your books?

Take counsel with your courage, not with your fears, and get premiums, for the premium-getting decade is before us now. You need premiums to tide you over present difficulties.

In the treatment of the causes that have produced the disastrous effects upon our business I have demonstrated clearly enough, I hope, that losses are but a very small part of our trouble, if any part of it at all. I have certainly made it clear that it is not expense that torments us so fearfully. The matter of expense can be too easily regulated to allow it to run us up to the very verge of ruin and despair, as too many have imagined. I have shown the real cause of our condition to be the unwise attempt to carry business for such length of term that causes us to pay thirty months' losses with twelve months' premiums. Such a proposition is as absurd as was the darkey's experience in buying and selling eggs. After President Lincoln had set Sambo free, Sambo embarked in the egg business, going out in the country and buying up eggs at 12½ cents per dozen, but when he returned the price of eggs had gone down, as the result of great activity on the part of the hens, and he was compelled to sell his entire stock of eggs at 10 cents a dozen. He at once hunted up his old master and observed: "I'll tell you, Massa, it'll take a 'normous capital to make money buying eggs at 12½ cents a dozen and selling 'em at 10 cents a dozen, won't it, Massa?"

It may be that some of our friends with "normous capital" back of them think they can make money paying thirty months' losses with twelve months' premiums, but they cannot, any more than the darkey could make money on his proposition. The only difference will be, they may hold out longer, perhaps, than the darkey did, but the time is coming when they will have to go out of the egg business, too. One of the cures proposed by some is the "survival-of-the-fittest" plan, but the plan has so little merit that I will only remind our "survival-of-the-fittest" friends of Sambo's fate—"busted and out of business."

We hear much these days about "taking no backward step," but that instead we must press forward and "lay hold" of the opportunities as they present themselves. That's just what many of us have been doing, and as the "high whitecaps" of premium income came rolling in we could not, for the life of us, resist the temptation to "lay hold." And how refreshing for a time did it seem, but the strong undertow, always produced by incoming high whitecaps, has now struck us in a fashion never before heard or dreamed of, all in the form of high loss ratio, increased expense accounts, and liabilities "out of sight." Surrounded by such conditions and confronted by such darkness, is it any wonder that we hear from every quarter: "What shall we do?"

Will it be taking a backward step to return to the "good old days" of 1873, that produced such happy results in the business and such contentment of mind? Surely not. If it is profit we are after, desirable results that we must have, why not at once throw off the shackles of long-term business written at ruinously low rates during war times, when so many write and telegraph: "Hold our business." "Non-cancellation clauses mailed to-day." "Get there, Eli!" Just such writing and telegraphing is what has lengthened the terms of your business, and caused the pain you feel to-day. If you are to be relieved of that pain you must first remove the cause that produces it, then proceed to treat the disease in a manner prescribed by wise underwriting doctors. Proceed at once, Mr. Underwriter, to divest your company of that annex or running-mate that is to-day such a source of annoyance to your associates and competitors. Get rid of it by consolidation with the parent organization, or make it a separate and distinct institution to itself, so that it will never again prevent the adoption of the "agreement of 1900."

I once attended a session of an old-fashioned Methodist revival and heard a good, earnest brother pray. Among many of his appeals to the Throne of Grace was this one: "O Lord, make every feller of us stand on his own bottom." I leave the application of the good brother's plea to the conditions of our business to-day, to you, without comment.

After you have cleaned the fountain-head, the very source of a large part of our trouble, Mr. Underwriter, come down the line and pause awhile in front of the long array of double-header agencies. Did I say double-header? Yes, triple-headers, and so on up to even thirty-headers, in some great centres. Pause and contemplate the scene, and at the same time consider the results of such a practice. *There* is one of the great evils to be cured, and it *must* be cured, too, ere you have peace of mind again. Get back, get back, I say, to first principles—one agent in a community, however wide it may be; give him your confidence, and let him know it. The time is now at hand when you must have underwriters to represent you, not Toms, Dicks and Harrys, because they can "rake in a few premiums here and there"—a man of character and standing in his community, who knows a risk and its hazards, and goes to see for himself, instead of taking some one else's word for it; who knows something about a rate and the line his company should carry. Get back to the old American Agency plan of one agent and you will have solved one of the great difficulties lying between you and success in your business. The appeal made by the National Association of Local Agents for the "one agency plan" is founded on justice, on right, on correct principle, on wise practice, and that appeal should not be in vain. It should be granted by one and all, and put into effect at the very earliest possible date.

When you have cleaned house, Messrs. Officers and Managers, and you are in line with the demands of the very best elements in our fraternity, and conducting your business through a single and sole agent in each community, then protect him and his business. Let him know that you are his friend and that you will stand by him as a principal should stand by his agent. Accord to him a territory and allow no one to trespass thereon, not even a John Johnson or a Tom Thompson; in short, never again allow overhead writing, which is to-day one of the very worst demoralizing features of our business. You, who have been guilty of outraging your agents, should change places, for a time, with such outraged agents, and then tell us what you think of it, how you feel toward a company that deprives its agents, by unfair means, of business that rightly and justly belongs to them. Outrage supreme! Let's discuss it no further.

My cures for the ailments that affect us and our business to-day are few and simple, but most practical. No more annexes, no more running-mates, no more "cow and calf" business, one company under one management, all on an even footing, with equal chances. Single agency for each company. Have as many solicitors and "business-getters" as you please, but confine the underwriting control to one central head, where judgment, character, experience, and honest purpose prevail, then you will have very little trouble with rates and bad practices. Cease overhead writing. Protect your agent against outside aggression, so far as your company is concerned. Take him into partnership with you and share with him the profits that accrue from his labor, his judgment, his experience, and his discriminating acceptance and rejection of risks. Meet your agent at least half way, and accord to him every possible encouragement and needed assistance in maintaining the American Agency system. Let coöperation, not antagonism, characterize the treatment of the agent by the company. Walk and work "hand in hand" with your servant, the agent, who is as necessary to your success as is the labor of our country to its capital. The success of the company depends largely upon the faithfulness and judgment of the agent, and to obtain the best possible results there must be a strong mutuality of interest and absolute reciprocal good faith.

The agent is fast coming to the conclusion that the company that encourages in any manner, or permits in any form, overhead writing, as now practiced so largely through broker agents, instead of supporting the American Agency system, is his enemy, and he is right.

Perform these simple acts of common sense and decency, and you will at once start on the high road to success and prosperity. Then there will be left but one thing more to do, in order to reach the goal of our ambition at the present time, and that is to equalize commissions and raise the rates sufficiently to cover the lengths of terms, to which they have been so unwisely extended. Do these things, gentlemen, and the day will be far distant when you will find cause for a

Pacific Coast rate war, a New York City cutting and slashing of rates, and writing business for five years for less than one year rates. No more Pekin, Ill., and Madison, Wis., affairs will bob up to harass you through the years. All will then be peace and harmony. It will not bring the millennium, I do not promise that, but I do not hesitate to assert that you will then have placed fire underwriting on a basis that will pay a profit and cause us to cease asking "Where are we at?" and we will then quit asserting that we are "Up against it," and nevermore will we ask: "What are you going to do about it?"

(Applause.)

Secretary Wagner—

I am requested to read this notice:

"It is requested that all members present who have been members of the Missouri State Association will remain in this room after adjournment this morning. Other members will not be excluded from this informal meeting."

The President—

I can assure you that the papers on this program are all excellent. I know that I speak for our entire membership, and especially for those of us engaged in field work, when I make the assertion that the "Influence of the Adjuster upon Underwriting" is most important; that much of our success in the field depends upon the methods of the Adjuster. We will now have the pleasure of hearing from Mr. H. A. Dike, Special Agent of the Fire Association of Philadelphia.

Mr. Dike—

MR. PRESIDENT, LADIES AND GENTLEMEN: I feel that I have just a little statement to make before I begin my paper proper.

I feel that I stand in a sort of a position to-day where, perhaps, an apology is necessary, although I do not feel like offering any apology. The State from which I come—where it has been my privilege to have my lot in life cast—the State of my adoption, in that State an insurance man is generally regarded as an ordinary thief—that is, I mean by the public generally; and a rate-maker—what I refer to now is a specific rate-maker—as an escaped convict. An Adjuster is commonly regarded as a highway robber.

Gentlemen, I stand before you, not as a representative of this particular class of men, but as an *insurance* man. It is not through any merit of my own that I stand here, but it is as a representative of that large body of men representing the various interests in the State of Iowa—a class that I regard as the best—and I am sure there are none better anywhere to be found. I take this opportunity of making this statement and showing my appreciation also of the honor I have in addressing this assembly.

INFLUENCE OF THE ADJUSTER UPON UNDERWRITING.

MR. PRESIDENT AND GENTLEMEN OF THE FIRE UNDERWRITERS' ASSOCIATION OF THE NORTHWEST:

The various means employed in conducting fire insurance and conditions entering into or surrounding the business, all have a direct influence that reacts for, better or worse upon the public at large as well as the insurance companies. Fire underwriting is so closely allied and so intimately associated with all branches of commercial life, forming, as it does, not only a basis of business credit and security, but, like the arteries and the life blood of the human body, extending to every limit and renewing the lost tissues, so fire insurance enters into every branch and form of industrial life involving the protection and restoration of property interests. Under these conditions the intricate and varied phases of humanity present themselves; always buoyed up by motives of self-interest, reaching out greedily for the almighty dollar.

At no time are property values more dearly appreciated by the owner than after he has sustained a loss or damage by fire—especially when well insured. For this reason the position that an Adjuster is placed in is one of the most important in the field of underwriting, and his influence is probably more direct and effective than that of any person connected with a company. Occupying, as he does, the position of mediator and arbitrator between the insurance company and its patrons, he should be well prepared to enter upon his duty fearlessly and with a full determination that equal justice shall be the fruits of his labors under the conditions and provisions of the policy contract. He should possess that particular fitness for the work that, in the performance of his duties, he will realize the best results in the easiest possible manner. Natural ability is always recognized as a chief requirement to the highest success in every walk of life, but this alone by no means will prove a guarantee of his qualification and fitness for this work, for how many there are possessing a bright mind that have made a failure as an Adjuster! Industry, patience, tact, intelligent labor, honesty of purpose, and a true and correct conception of his whole duty between man and man, all combine to form the most successful Adjuster. It is not the purpose of the writer to herein institute a code of morals as a general guide in the adjustment of losses, but, in a practical way, touch upon such points in relation to the subject as will, in a measure, indicate the "influence of the Adjuster upon underwriting."

Unless our expressions are in sincerity, and fully exemplified in our daily life, and consistent with a true and practical method of performance, the effect is as sounding brass.

To take the position that every Adjuster is an honest man would be an absurdity, for "there are exceptions to every rule," and the

impression produced upon the public at large through the acts of one dishonest Adjuster reflect a more direct and lasting influence upon underwriting than can be overcome through the efforts of many honest men. Nor can we assume that every loss is a straight and legitimate one, or that every claim is honest, and unless proper means are employed to make a thorough investigation of every claim, the business of underwriting resolves itself into a mere speculation or gambling scheme.

A fire insurance policy is the evidence of a contract between the assured and the insurer, the essence of which is indemnity to the claimant in case of loss, subject to the conditions and provisions of that particular contract. No matter who the claimant may be, or what position he may occupy in the community, the general disposition is to avail himself of all means at his command to secure every personal advantage and conceal whatever may not redound to his profit. This is not to imply that any or all claimants are at heart dishonest, but it is safe to assert that the best test of an honest man is to deal with him in the adjustment of a claim under a fire insurance policy.

Every reputable company wishes none other than honorable means should be employed in the adjustment of their losses. For this reason the Adjuster should feel the full responsibility of his position; he must possess a thorough knowledge of all the provisions and conditions of the policy, and familiarize himself with the various judicial decisions in the construction and application of the contract. While human nature is much the same the world over, no two adjustments can be conducted alike, for, though conditions in many instances are not radically unlike, circumstances may demand a far different course of procedure, even in losses of a similar nature. In mercantile losses we seldom find the same system of bookkeeping. Very frequently there are no books to be found, having been intentionally or accidentally destroyed. At other times, upon a close investigation, are found false entries and irregularities which could not be detected without making a thorough examination and inspection of all books of account and inventories. In a loss on a large manufacturing plant a careful investigation into all the details of the business is necessary, in order to ascertain and determine the true measure of loss and extent of liability. The ability to read and judge human nature will serve as a valuable guide in the proper adjustment of a loss; every act and thought on the part of an Adjuster should be well considered in advance, and patient, careful, intelligent work should characterize every adjustment, using every means to hold and retain the confidence of the claimant. Oftentimes an adjustment is indefinitely delayed and made much more expensive to the insurance company, because some ill-advised question was asked by an Adjuster, or a statement made by him reflecting upon the integrity of the assured. When this occurs, it is a difficult matter to proceed with an adjust-

ment. An Adjuster may be prompted by selfish motives in his eagerness to secure a salvage; or he may enter into an argument with the assured over some trifling or technical point involving little of importance. In either case, the influence upon the claimant is such that he regards with suspicion every act of all Adjusters. Every field man and Adjuster within my hearing can fully indorse this statement, for, no doubt, each one has met with a similar experience and fully understands the position he is placed in. The influence of one act of a thoughtless and short-sighted man is damaging in the extreme, not only to the company he directly represents, but to all underwriting interests in general. Such practices should not be tolerated by any company, as every adjustment should be entered upon in good faith with only one object in view, namely, to ascertain and determine the actual loss or damage, as prescribed under the conditions of the contract.

It should be the purpose of every Adjuster to conserve the interests of his company, deal in a straightforward manner in the settlement of all losses, and thus leave the claimant satisfied that he has been fairly treated. This is simply justice to all concerned, and nothing more or less should be granted or expected.

I am a firm advocate of that method of adjustment that will secure to every honest claimant full indemnity within the terms and spirit of the policy contract, treating it under its broadest and most liberal construction; but a dishonest claimant should be shown no mercy, and all means possible should be employed to defeat his claim.

It is not advisable to enter upon an adjustment with a prejudiced mind, as we are not warranted in being influenced by reports and rumors so cheerfully circulated by disinterested parties. A quiet and careful investigation of such reports generally results in their being found unreliable, and, in many instances, when relied on, prove to be but snares set to trap the Adjuster. However, it is advisable to quietly follow up and ascertain what grounds there may be for such statements. It is the part of wisdom to keep your own counsel and do your thinking, and work while others talk. "Discretion in speech is more than eloquence."

Whether a loss is regular or not, it is always the better way to gain and hold the confidence of the assured, and by this means an Adjuster is in a position to secure such information as will be productive of highest results. To assume a false position is a fatal mistake. An Adjuster should always take a position that can be maintained, and one which he is fully prepared to demonstrate is entirely fair and equitable for all parties in interest, and adhere to it. In doing this, he will not have incurred the ill will of the claimant, nor have lost his confidence. There are so-called Adjusters—who more properly might be classified as professional guessers—that frequently put in an appearance at a loss, and after a few wise glances, rub their noble brow and submit a proposition of settlement to the

assured which, if accepted, they make proof of loss, and the same being properly executed, they make their escape to other parts. This may be regarded by some as adjusting a loss, but, to my mind, it is the most dangerous and pernicious in its effect and influence upon correct practices and sound underwriting known to the fraternity. It stands to reason that a great injustice has been perpetrated either upon the company or the claimant—more likely the former—and I venture to assert that this manner of settling losses has accomplished more to bring disrepute upon insurance interests and been productive of more adverse legislation in various States in the form of valued-policy laws and the extermination of co-insurance features, than from any other course. In cases of this character, had all conditions as to the origin of the fire, the nature and value of the property been carefully investigated, the assured would have received his just dues, be it more or less, the Adjuster and company would know what they were paying for and there would be less fires of an *unknown* origin. The general public would then soon learn, when they secured insurance, that there were conditions imposed upon the assured in an insurance policy which they were in duty bound to recognize. The mistrust and suspicion in which an Adjuster is commonly held to-day would, in a great measure, be eliminated.

It is a perfectly safe plan for an Adjuster to confine himself to the contract and use due diligence that none of the provisions of the policy are waived. There are occasions in connection with most every adjustment when a much easier and shorter method of procedure will appeal to the Adjuster as well as the claimant, and to pursue that course we may temporarily overcome a difficulty. The effect of this may, and oftentimes does, constitute a waiver under a policy contract which establishes a precedent, and frequently leads to litigation, and further furnishes material for hostile legislation. Nothing was ever lost in principle, in the adjustment of a claim under a fire insurance policy, where its terms and provisions were closely observed and its conditions fully complied with. Generally speaking, companies expect and appreciate thorough work, and the time consumed or the expense incurred in the proper investigation and adjustment of every claim is regarded by them as the most satisfactory and profitable in the end.

The duties of an Adjuster being very comprehensive—entering into every condition of the economic life of the world—he must necessarily be a student and a close observer of methods and men. Experience is a most valuable teacher, but the law of evolution is constantly working out new ideas, and the system in vogue ten or fifteen years ago, in the production of various commodities, is to-day obsolete. Hence an Adjuster is in a position to acquire a fund of general information and, if properly utilized, will prove of value to him in the

adjustment of losses. Fortunate is that Adjuster in whom are blended all those attributes of fitness and character that will inspire confidence in the insuring public. The work commands a sincerity of purpose; it demands close and earnest application, and he who does not work out his own fitness for his calling, will surely prove deficient. Work worth doing at all is worth doing well, and thoroughness, combined with honesty of purpose, will have a far greater influence for good upon a claimant than all arguments and other means employed, and in return will exert a lasting influence upon the highest interests of underwriting. "He who influences the beliefs and opinions of men, influences all others that live after. For influence, like matter, cannot be destroyed."

Within the past five or ten years the manner of conducting the insurance business in general has undergone a great change. In their apparent greed for business, companies and their agents have ignored many of the old-established rules and forms, and have adopted methods that, in many cases, serve to nullify the effect of various portions of the policy contract. This same spirit has been carried into the adjustment of claims. The Adjuster is not exempt from a good share of responsibility for the many evils that have worked into the business in recent years. In his desire to secure an increase of premium receipts, he oftentimes allows largely in excess of what is justly due a claimant, to win his favor, and thus build up business at the expense of the loss ratio. On the other hand, prompted by even more selfish motives, he has resorted to sharp practices in depriving a claimant of his just dues, thinking, in so doing, he may ingratiate himself into the good graces of the company. In either case the influence on underwriting interests is bad. This is an age of progress, and progressiveness is very commendable when the principle of improvement and safety is involved, but when it serves as a means of destruction, we are building of material that will not stand the test of time.

No Adjuster should be called upon to offer any apologies. In the performance of his work there is nothing of a creative nature on his part. His whole duty is to interpret the contract as he finds it, explain it fully to the assured and deal equitably and honorably with the company and the claimant in its application. To preserve, and not destroy; to enlighten, and not conceal; to discourage mistrust, which to-day so generally prevails, as the result of ignorance among certain classes, and in so doing, inspire confidence in a business that can be regarded as the most honorable, this should be the chief aim of every Adjuster.

As the years roll round and witness the organization or reorganization and consolidation of insurance interests, with men of recognized ability as executives and managers; with a class of investments and securities that commend the company to the most scrutinizing and conservative insurer, and through this means build up a large busi-

ness; but in the adjustment of its losses there are men who are not qualified to act in good faith and deal in a straightforward manner between the company and its patrons, that company is sure to go down. Like the manufacturer or merchant who has placed his goods upon the market and in the course of time the grade and quality have greatly depreciated, the public generally withdraw their patronage, and very frequently, after years of apparent success in business, end their career by a miserable failure: So the Adjuster, in a great measure, stamps the grade and quality of the goods he represents in the eyes and mind of the general public, and the impressions produced by him in the settlement of losses have a most effective influence upon underwriting. As it were, his words and deeds are the crowning work in the relation that a company sustains to the public.

Why, then, should not an Adjuster's influence upon underwriting prove of the highest order if, in the faithful discharge of his duties, he acts in good faith between the assured and the company? No half-hearted work will insure success. Unless a company has perfect confidence in an Adjuster, and he in return fully realizes and appreciates the responsibility of his position—not through a sense of egotism, but as a result of conscientious and intelligent effort—he cannot bring to his work that self-confidence that is a potent factor in the realization of best results.

Square, honorable dealing is bound to win, and the Adjuster who does faithfully and earnestly apply himself to his work, with a full determination that he will ascertain what is just and equitable under the policy contract between the respective parties in interest, without regard to results, is doing his whole duty.

(Applause.)

The President—

Discussion is now in order on this paper, and we should be very glad to hear from any member who has anything to say on that line.

Mr. Greer—

GENTLEMEN OF THE FIRE UNDERWRITERS' ASSOCIATION OF THE NORTHWEST: There is much in the excellent address just delivered, which must appeal with special interest to those members of this Association who are identified with the adjustment of losses. In any adjustment, from that of the most trifling claim to those involving fortunes, the assured invariably forms impressions which become the basis of his estimate of specific companies, and often control his judgment of underwriting as a whole; and whether he would or not, the Adjuster cannot control the fact that in every adjustment he exerts a direct influence upon the interests of underwriting in general, and those of his own company in particular.

So long as it can be said that there are no two people in the world alike, it will remain true that no two claimants will be found who

are similar in temperament or disposition, or in their conception of what constitutes a square deal.

It has been the experience of every Adjuster to meet claimants who, though honest men, will make claims either through a lack of the necessary examination or investigation—and certainly without proper knowledge—to which they will tenaciously cling long after their error has been demonstrated; and although the Adjuster may have in as many days adjusted a dozen claims and have left the claimants not only satisfied, but enthusiastic, yet he will find in this case, notwithstanding that every consideration has been accorded and the claimant treated in a spirit of the broadest fairness, the best he has been able to do is to leave that claimant dissatisfied with the adjustment made.

Now, what has been the influence of the Adjuster upon underwriting in that case? The interest of underwriting requires that Adjusters shall make only such settlements as are fair to all honest claimants, but the best interest demands that the claimant should be led not to expect more, and he should be brought to see that the company cannot, for the mere gratification of one claimant, make a settlement which is unfair to the company, and which could not be conceded in every loss.

The cause of such dissatisfaction in such a case lies, not with the Adjuster, but with the assured, and if the Adjuster shall have labored with the single purpose of honestly determining the amount of loss and shall have labored intelligently to that end, his influence has been the best for the true interests of underwriting.

The interests of underwriting are advanced whenever and wherever the people are led to appreciate that the companies require their Adjusters to extend to all honest claimants the utmost consideration, accompanied by an equitable interpretation of the contract, and those companies who, while standing for all this implies, require their Adjusters to draw the line there, and while they will willingly pay 100 cents on the dollar with full measure, decline to pay 105, or 110, or more cents on the dollar, will exert a permanent influence for the good of underwriting, will increasingly command the commendation of the best element of the American people, and must ultimately win the highest distinction among the permanent institutions of this country.

The President—

It seems that we have developed an orator from the floor. Now, there must be others, and we would like to hear from them. (No response.) If not, the Secretary has some letters and telegrams received by the Association which he would like to read.

The Secretary—

I have received several letters in response to invitations to this meeting, and have a few here which I would like to read.

CORRESPONDENCE.

LIBERTY, N. Y., September 26, 1900.

OTTO E. GREELY, *President Northwestern Underwriters' Association, Auditorium.*

Am exceedingly lonesome to-day. First meeting missed in nine years. Kind regards to all. GEORGE W. HAYES, JR.

ST. LOUIS, Mo., September 27, 1900.

OTTO E. GREELY, *Auditorium Annex, Chicago.*

Regret cannot attend. My thanks, and best wishes for successful meeting. Shall expect valuable results from your work this critical time. GEORGE D. MARKHAM.

THE PHENIX INSURANCE CO.

HARTFORD, CONN., September 24, 1900.

D. S. WAGNER, Esq., *Secretary Fire Underwriters' Association of the Northwest, Auditorium Hotel, Chicago, Ill.*

DEAR SIR: I take great pleasure in acknowledging receipt of the invitation to the Thirty-First Annual Meeting of the Fire Underwriters' Association, which you have kindly sent me, and I deeply regret that it will be impossible for me to be present.

The annual meetings of the Underwriters' Association of the Northwest have been very interesting through all these years that they have been held, and many of the papers have been of great value to the underwriting business, and we hope that the coming meeting will be as interesting as any of those that have gone before.

Extending to you and to the Association every best wish I am,
Very truly yours, D. W. C. SKILTON, *President.*

UNITED STATES BRANCH
NORWICH UNION FIRE INS. SOCIETY,
Nos. 56 and 58 Pine Street.

NEW YORK, September 25, 1900.

D. S. WAGNER, Esq., *Secretary Fire Underwriters' Association of the Northwest, Auditorium Hotel, Chicago, Ill.*

DEAR SIR: I am in receipt of your courteous invitation to attend the Thirty-First Annual Meeting of the Underwriters' Association of the Northwest. It is always a regret to me that, coming as these meetings do, in the autumn, when the increased business of our office renders it more difficult to be away, I am prevented from being present.

It is only through a close touch with the field force that the management of a company may hope to be successful, and I therefore deeply regret this lost opportunity. With kind regards,

Yours truly, J. MONTGOMERY HARE,
Resident Manager.

ÆTNA INSURANCE CO. OF HARTFORD.

HARTFORD, CONN., September 24, 1900.

MR. D. S. WAGNER, *Secretary Fire Underwriters' Association of the Northwest, Chicago, Ill.*

DEAR SIR: You will please accept my most sincere thanks for the very kind invitation to attend the Thirty-First Annual Meeting of your Association on the 26th and 27th instant. It is impossible for me to be present, as much as I desire to.

Several years ago I had the pleasure of attending one of your meetings, and it is quite a disappointment to me that I cannot go again.

With my best wishes for the success of this week's meeting, and of your Association generally, am

Yours respectfully,

W. B. CLARK, *President.*

INSURANCE CO. OF NORTH AMERICA.

232 Walnut Street.

PHILADELPHIA, PA., September 20, 1900.

DEAR SIR: I regret that I cannot accept your kind invitation to meet the Underwriters' Association of the Northwest on 26th inst.

From the program of exercises I doubt not that the meeting will be interesting and instructive, and I am sure must be productive of good results.

With very kind regards and best wishes, I am,

Yours truly,

CHAS. PLATT.

D. S. WAGNER, ESQ., *Secretary.*

Mr. Cate—

It is customary to appoint a Committee of five to nominate a Board of Directors for the ensuing year. Therefore, I move that a Committee of five be appointed for that purpose.

Mr. F. A. Vernor—

I second the motion.

Motion put by the Chair, and carried unanimously.

THE OLD MISSOURI STATE BOARD.

The President—

I will now ask Mr. Townley to take the chair.

The Chair (Mr. Townley)—

The members of Missouri have next a little business of their own which, I think, all members here will enjoy, and I will now call on Mr. Martin to make a few remarks.

Mr. C. C. Martin—

GENTLEMEN, MY FELLOW EX-MEMBERS OF THE MISSOURI ASSOCIATION OF FIRE UNDERWRITERS:

At this time our minds revert to the good old days of yore, when we were allowed to meet in social conclave under the banners of our old Missouri Association. That Association, which for many years drew its membership from Missouri, Kansas and Nebraska, was second to none in size or in the good it accomplished. An Association of which we were justly proud; one in which it was the ambition of every man in the field to be a respected member; one whose meetings were looked forward to with pleasure. At these meetings were cemented ties of friendship which will be broken only by the cold hand of the Eternal End. There were fostered all the good practices that made our labors a pleasure. There our grievances were given due consideration, and we went forth in the field stronger, and imbued with the sentiment of loyalty to our fellows. Who does not now look back with fond recollection to those meetings, where our common cause made us feel like brothers, and where the right hand of fellowship was so freely extended? This Association, born of necessity, fostered by the good faith of its members, was the cradle of many who have grown to distinction in our profession. Many whose heads now show the frosts of a well-spent life were young and vigorous when first they met in her name. Their long affiliation endeared this Association to them, nor was it less revered by its younger members. But now this Association has been destroyed by the ruthless hand of the politician who, by so doing, sacrificed to his ambition one of the best friends of the insuring public.

We have now only the recollection of the good accomplished and of the many pleasant gatherings had in her name.

We now bid a sad farewell to that past and look forward to a brighter future when we may again revive her existence. Many of our old members were always ready with good advice and ready hands to aid in steering the old Association clear of breakers which threatened her, and among them none was more so than he to whom I now desire to call your attention.

We have with us here one who was always a faithful member, an earnest worker, a true friend. Always loyal to the interests he represented. One to whom we often turned for counsel; one to whom the young man never went in vain for advice; one we loved for his virtues and respected for his ability, for whether consulted in our deliberations, or presiding at our festal board, he was never found wanting.

I have here a memento cherished by us all. Many years ago the gentleman to whom I refer, prompted by his love for our Association, presented us with this beautiful gavel. Around it cling the remembrances of friendships made that are as lasting as the metal that encircles it. On it are inscribed the names of those who have presided

over our deliberations from the time of our organization down to the day of our dissolution.

And now, in the name of our old Association, I, as the last to whom descended the honor of wielding this gavel, do, in behalf of our ex-members, present the same to our friend and companion, Henry Clay Stuart.

Mr. Stuart, in presenting you with this gavel, we wish to remind you that as you once presented this to us out of the regard you had for our Association, we now return it to you laden with the love and esteem of all your associates, and with it we wish you every success and a long and happy life.

And when in future years to come,
When friends are gathered 'round,
Then o'er a brimming glass of cheer
Just take this gavel down,
And tell them of days long gone,
Of Chris Stawitz, good and true,
Of Tuttle, Pinkney and Maginn,
And all the others, too.

And when fond memory stirs,
And tears on this gavel fall,
Remember Clay, with one accord,
We love you one and all.

The Chair (Mr. Townley)—

Will Mr. Stuart please come forward?

Mr. Stuart—

My friend, Mr. Pinkney, will accept the gavel for me. I thank you. My feelings overpower me.

REMARKS BY MR. A. E. PINKNEY.

Mr. Pinkney—

I feel about as full as my friend Stuart. In behalf of Mr. Stuart, I accept this gavel from the old Association of Missouri, Kansas and Nebraska, and I know, as we all think of the old days, that every man's heart must be deeply touched. There is certainly not a page in my life to which I can turn, and, looking on memory's tablet, which gives me the warmth of heart that calling up those old days of that old Association does. I know that no man in all the history of the Association was more faithful to his trust than the recipient of this gavel. I know that no man, as a member of that Association, strove harder to conserve and maintain good practices among his fellows. Whatever may be said of Clay Stuart, there never was a time when, in the vernacular of old Missouri, you didn't know "where he was at,"

Nothing, to my mind, could be more beautiful than this tribute to Mr. Stuart's sterling integrity so far as underwriting is concerned, and I know that, as the long years roll by—many of which we hope he may be spared to see—there will be nothing he will cherish more or that will be a source of such continual, perennial delight to him. As he looks upon this gavel, he will cherish the thought that the old guard and the old boys are true and faithful to him still, and love him for what he did for the Association.

I feel, as I said when I came up here, about as full as Mr. Stuart was, and am only sorry that I am not in better shape to respond to this beautiful sentiment which has been voiced here by our friend, Mr. Martin, and by the unanimous action of these old members; but let me simply say this in conclusion: that when Mr. Stuart presented us with this gavel—I remember the occasion very well—we were all proud of it, and we were thankful to him for this beautiful gift, which he was the first to use in presiding over our deliberations. It has been wielded by many hands—by some, perhaps, not as worthy as those which had preceded them, but never, I believe, was a gavel used in any association which has done more for the insurance business as a whole than that of the Old State Board of Missouri. Its memory, gentlemen, will live forever and a day, and my only hope is, that there may come a time when the law-makers of the State of Missouri will, in their wisdom, see the mistake they have made and permit a reorganization of the old Board, and if it is done, you will see as glorious a resurrection as has occurred in any enterprise of the world.

Whereupon an adjournment was taken to 2:30 o'clock P. M.

AFTERNOON SESSION.

The Association reconvened at 2:30 o'clock P. M.

COMMITTEE TO NOMINATE BOARD OF DIRECTORS.

The President—

I will appoint on the Committee to nominate Board of Directors for the ensuing year:

S. E. CATE.

GEO. M. LOVEJOY.

M. H. N. RAYMOND.

JOHN H. GRIFFITH.

H. N. KELSEY.

We must all admit, gentlemen, that from an educational standpoint we are greatly indebted to the insurance journals in the country, in which the discussion and criticisms which come from the editors of these journals have always been a great help to us. Among the

journals of this class is one published in Boston and edited by a gentleman who has devoted his central thought to the economic features. This gentleman we shall to-day call upon to deliver the next address. He is a thoughtful, studious man, and I am sure will please you all.

I have the pleasure of introducing Mr. H. H. Putnam, editor of the *Journal of Insurance Economics*.

Mr. Putnam—

MR. PRESIDENT AND GENTLEMEN OF THE FIRE UNDERWRITERS' ASSOCIATION OF THE NORTHWEST:

I think it was President Woodworth, of the National Association, who said that this was the greatest organization in the insurance business, and it was only this morning that I read that this was the greatest fieldmen's organization in the world, and believing both of those statements to be true, I feel deeply honored in having been asked to address you this afternoon. I not only feel honored, but it is a pleasure for me to come one-third of the way across the continent from the far East—from the most eastern underwriting center of the country—to present to you one or two of the thoughts which have been agitating my mind during the past few years.

The subject on the program, I notice, is "Joint Rate-Making in Fire Insurance," a little more comprehensive than the topic I am to treat. I will treat one phase of "Joint Rate-Making in Fire Insurance," namely, "Fire Insurance Rate Agreements."

FIRE INSURANCE RATE AGREEMENTS.

It is my purpose to present, briefly, a few thoughts upon the economic aspects of rate agreements. In doing so I shall, of necessity, depart somewhat from the academic lines upon which discussions of this nature are usually conducted. This is an educational body. It is permissible, for one who is invited to address it, to frankly present his views. In doing so he will enjoy the indulgence of its members, if he travel unbeaten paths in his presentation of the most profound and intricate problem affecting the relations of fire insurance with the public. The nature of that problem renders a clear and unvarnished treatment of the utmost importance, especially in the presence of a body of experts who can more readily detect the truth or fallacy of the statements offered for their consideration.

It has seemed to me, in reading what has been written upon rate agreements, that we have often failed to grasp the essential features of this question, or, at any rate, that we have failed to present our case in a satisfactory manner. The subject has been treated by some of the ablest men in the business, and yet there has always appeared to be some flaw in the diagnosis, some vital connecting link absent

from the chain, which has rendered the argument incomplete as an efficient justification of combined rate-making. And it is with a desire to find, if possible, such an efficient justification, that I have presumed to present to you some of the conclusions reached as the result of an all too confined study.

Association between fire insurance companies has assumed many forms, but all may be grouped under two heads:

First—Association to reduce expenditures.

Second—Association to check competition.

In treating the question of coöperation for public consumption, we have neglected to make clear the distinction which actually exists between these two forms of combination, and have sought to justify covenants designed solely to stop competition, by pointing to the public benefactions arising under those forms of association which tend to reduce the cost of insurance. I am not prepared to say that this has been a mistake, and yet I sometimes fear that it has resulted in a confusion of the public mind, and aroused the suspicion in keener intellects that an attempt has been made to keep the real, vital question in the background. But among ourselves, at least, we may sharply differentiate the two forms of association, and consider them as separate functions, not dependent upon each other, though closely allied.

We need not consider those forms of association designed to reduce expenditures, for they never have, and never will, create friction between the companies and the public. Our inquiry deals entirely with associations designed to regulate competition, of which rate agreements form by far the most important part.

An agreement between companies upon rates is an agreement to check competition; nothing more nor less. This is its sole purpose. The more effectively competition is checked, the more effective the agreement. Unless there is a sufficient check, the agreement falls. The whole strength or weakness of the covenant pivots upon that single point. In acknowledging this to be a fact, we simply admit what is true of all price-fixing agreements, whether they relate to commodities, wages, mileage, or insurance premiums. I find it difficult to believe that it is necessary to base our arguments to the public upon anything but a plain, straightforward admission of the facts, and yet we have never done so.

The distinguishing feature of modern commercial life is an attempt to eliminate competition upon prices. There is no general industry, I think, in which price-fixing agreements are not an important feature. Even among the farming population, which furnishes us with the most rabid trust-baiters, such agreements exist; while competition on the price of labor is, perhaps, more rigidly restricted than anything else.

The fact is, that our conceptions of the economic aspects of trade have entirely changed. Experience has shown that the benefits of

competition upon prices are wholly fallacious. We now recognize that uniform prices tend to insure stable markets, enhance wages, and promote general prosperity. Uniform, not competitive, prices are the life of trade. This is equally true of fire insurance. Open competition upon rates has increased the failures and resulted in no permanent benefit to the insured. Uniform rates have, on the contrary, brought prosperity and have raised the standard of security upon which commercial credit is indemnified.

Agreements among fire insurance companies to check competition are somewhat older than price-fixing associations in other lines of industry. So far as I am able to determine, the first attempt to agree upon rates was made in New York City as early as 1819, by eleven local companies of that city. We thus see that agreements to eliminate competition in fire insurance have existed in America for more than three quarters of a century. A minute examination of the history of rate agreements, were it possible at this time, would show that the companies have practically been forced to eliminate competition on account of the conflagration hazard, and that the main factor in bringing about uniform rates has been a desire to prevent insolvency.

We may state, then, that the cause of rate agreements between fire insurance companies is a desire to increase profits, or to prevent loss, which amounts virtually to the same thing. This is the controlling factor.

It is perfectly proper for an individual or single corporation to seek these ends; that is, to advance prosperity or avert failure. What is right for the individual or single corporation, acting upon its own initiative, is equally right for two or more individuals or corporations acting in association. It is wrong for any individual or corporation, or association of individuals or corporations, possessing power, to exercise this power for the purpose of undue enrichment. Such an abuse is rightly the subject of protest, and if the individual protestor finds himself helpless in the face of an arrogant combination, he has a right, if he chooses, to carry his protest to the most powerful offsetting combination known—the government. Under such circumstances his appeal to the State is but natural, and perhaps justifiable.

A combination of fire insurance companies to check competition not only has no right to charge unduly profitable rates, but it is acting against its own interests in so doing. As already stated, there is no public opposition to associations of insurance companies designed to reduce expenditures. The enmity of the States is directed solely against agreements to stop competition, and then only so far as they appear to be unjust or arbitrary in their attitude toward the insured.

Are there any grounds for this enmity? We are compelled to admit that there are. The knowledge, common to us all, that rates are unequally apportioned, and that some classes are paying more than

their actual cost and others less; that rates upon identical hazards are often inexplicably at variance, and that we cannot demonstrate to the public the basis upon which our rates are made—is also knowledge not uncommonly known to the assured. As to this fact (coupled with natural prejudice against corporate interests, particularly when in combination) we may ascribe the opposition to rate agreements. The ordinary man will not object to a combination to regulate competition, for the chances are ten to one that he himself is engaged in such a combination, but he will object—and who can blame him?—to an agreement which tacitly permits and maintains the inequalities referred to.

Anti-insurance legislation will continue until the cause of this public opposition is removed. I am not prepared to say that it can be removed. Some underwriters, whose opinions are of great worth, contend that it cannot; that the inequalities are inevitable, and exist as a natural result of conditions. I merely state what, in my opinion, is the real source of public opposition. If it cannot be met, I see but one conclusion, namely, that all attempts to regulate competition upon rates by agreement must be abandoned.

Agreements to regulate prices are grounded upon the soundest principles of ethics and economics. An agreement to stop competition is a declaration in favor of commercial peace. Covenants between men engaged in the same line of business, to cease warring with each other upon prices, is as much an evidence of advancing civilization as the growing infrequency of war between nations. If we examine the matter closely, we shall find that the highest civilization prevails where coöperation in all forms is most highly developed. The natural law which results in the association of individuals to promote a common end in society, politics and religion, operates with the same force in the commercial world. Men identified with the same class of industry find that they can do business better and more profitably by coöperation upon prices, than by open competition. Whatever promotes peace and prosperity must command public approval, and in this fact alone I believe we can find an efficient justification for rate agreements.

The average profits in fire insurance show that these agreements have not been used to unduly enrich the companies as a whole. Nevertheless, the fact that companies which are party to these agreements consciously maintain unequal rates, is a serious defect, and a great embarrassment to those who desire to render assistance in defeating adverse legislation. Personally, I hope and believe that we may, in the near future, add another function to association between fire insurance companies under which we may make the following grouping:

First—Association to reduce expenditures.

Second—Association to check competition.

Third—Association to ascertain the cost of insurance.

An association to ascertain the cost of insurance need not necessarily be directly identified with rating associations, but when a combined classification is established, public policy will dictate agreements to observe rates which are based upon ascertained cost.

Without presenting many of the arguments which may be advanced in favor of combined classification, and admitting the practical objections thereto, I am strongly of the opinion that the future prosperity and success of fire insurance demands, and will result in, substantial progress toward a quasi-scientific method of ascertaining the cost of insurance.

No observer of current events and tendencies in fire insurance can fail to be impressed by the fact that we seem to be rapidly moving forward in this direction. Within the past year or two public opinion in fire insurance has crystallized about this particular problem, and recent declarations indicate that among the agency forces, as well as company officials, the sentiment in favor of an equalization of rates, by means of intelligently applied schedules and experience tables, is steadily growing. We need not analyze the causes which have led to this condition, but we may well congratulate ourselves that out of the present distressing state of the business—out of the depressed rates, heavy losses, and adverse legislation—we are likely to see some practical measures taken to meet existing deficiencies. This distress is so acute, the legislative outlook for the coming year is so ominous, that it would be unfortunate, indeed, if the responsible underwriters should fail to strengthen their defenses at the weakest point.

I believe that this critical period will not pass without some progress toward the desired goal, and I disclose no profound secret when I say that to the West, rather than to the East, we look for the most rapid strides. The Western underwriter is, as a whole, more advanced than his brother of the East. I do not make this statement by way of critical comparison, for, though born in the West, I have been bred among conservative Eastern institutions, and believe in its best men and indorse its best principles; but I do recognize that the germs of progress multiply faster in the West than in the East. And while we may expect the East, rich in past experience, to act as a governor, may we not likewise ask the West to supply the steam. Between these two modifying influences it ought to be possible to formulate such a simple, practical and comprehensive plan for ascertaining the cost of insurance as will furnish both companies and agents with a much-needed weapon of defense against adverse legislation. This need is a practical, all-important one; it but remains for fire underwriters to demonstrate their strength and to prove that they are capable of meeting and sustaining the grave responsibilities with which they are thus confronted.

The President—

Mr. Putnam's paper is full of good suggestions, and we would be

glad to have a discussion from any members on the floor on the points made by Mr. Putnam. (No response.) Well, I take it that you all agree with him. If there is to be no discussion, we will proceed to the next paper on the program entitled, "Premium Income." That I know is a subject we are all interested in. Mr. Carroll L. De Witt, of Indianapolis, Ind., will address us on that subject.

SOME THOUGHTS ON THE PREMIUM INCOME.

Mr. Carroll L. De Witt—

MR. PRESIDENT AND GENTLEMEN OF THE FIRE UNDERWRITERS' ASSOCIATION OF THE NORTHWEST:

The premium income is to the business of fire insurance what the Constitution of the United States is to the Government—the foundation upon which the entire structure rests. If the premium income is sufficient in volume and of a desirable character, the company is a success, otherwise the reverse; for no company, no matter how large, or how much of an income from investments it may have, can or will continue in the business any length of time unless the underwriting shows a profit.

The direct source from which the premium income is derived is the Local Agent, and, therefore, he should be kindly treated, helped and encouraged in every possible way. This work devolves largely upon the Special Agent, and it is to him, more than to anyone else, that the company looks for the proper development of the field to which he is assigned. A Special Agent, to be a business getter for his company, and a producer of a proper premium income, should first of all be a gentleman. He should have a thorough understanding of the business and know exactly what kind of business his company wants, and what they will do for an agent. He must be a man of good address, and firm—one who carries conviction with his statements, and who is not afraid to say "no" when asked to write a risk he knows to be undesirable, or to do something not in line with correct underwriting or practice. He should be a good judge of human nature, a close observer of little things, and a good listener. It is just as essential to the success of a Special Agent that he be a good listener as that he be a good talker; in fact, I do not know but what the ability to listen intelligently and entertainingly is more to be desired than to be a brilliant conversationalist. By keeping his eyes and ears open he may often pick up valuable information as to the way the business of an agency is transacted, and be able to form a correct opinion on the desirability, or otherwise, of a prospective agent. The Local Agent should be selected with care, and the possibilities of his making a satisfactory agent be carefully weighed before the appointment is made. No appointment should be made in a hurry. The Special Agent should not hesitate to leave a town without making an appoint-

ment, if he has carefully looked the field over and is satisfied in his own mind that the proper man cannot be secured at that time, and above all things, he should not leave his supplies with a man who does not really want the company. How often do we go into an agent's office, and, in running over the companies represented, have the agent say: "Oh! yes, I have the supplies of such and such a company, but am not doing anything for them. I told the Special Agent I had no use for the company, but he insisted that he be allowed to leave the supplies anyway, so that if the time did come that I could do them some business I would be in shape to do so." Not one appointment out of a hundred, in my opinion, made under these circumstances, ever amounts to anything, and the Special Agent simply has to go back later on and do his work all over again. In looking for an agent, the Special Agent will often be told to go and see Mr. S—, we will say, with the information that "he is a hustler, and is just the man that you want." My observation is that this is the man you had best avoid, rather than hunt up. The word "hustler," in our business, generally means a man (usually a young chap) who tears around town, saluting his friends as Jim, Jack and Joe, and with it all, working like a Trojan for—about ten days or two weeks at a time; then he rests on his oars and does nothing for four weeks, only to break out again for another mad spurt at the expiration of that time. You will find, upon investigation, that the hustler has been in a dozen different lines of business, and has made no real success in any. It is not this kind of a man that makes the desirable agent, but, instead, it is the careful, painstaking, conscientious man, who, while he may be a trifle slow, still constantly keeps his business before him, and whom you can depend upon to do his best to-day, to-morrow, next week, next month and next year. I would depreciate the practice of some Special Agents, of exacting a promise or pledge from the new agent as to the amount of business he will do. Under some circumstances it may be proper, but in the majority of instances this course will do more harm than good—even if the pledge is given. The up-to-date shoe clerk does not ask you nowadays what size shoe you wear but, instead, looks at your foot, and perhaps at your old shoe, and then selects the size that in his judgment will fit you. So, too, the Special Agent should be able to form a reasonably correct opinion of the amount of premiums an agent can and will give his company, after a general conversation with him. The Special Agent should be the trusted friend and adviser of the Local Agent—one to whom he may come with any question of business that troubles him, and be sure that it will receive due consideration; and if any help or valuable advice can be offered, it will be given freely and gladly.

The influence of the Adjuster on the premium income of an agency is material. Some Adjusters are prone to look upon every loss as a dishonest one, and to make the claimant prove to the contrary before they will relinquish the idea. I congratulate myself on not

having as yet, at least, arrived at this state. I still believe that there are people in this world who have honest losses, and also believe that they are in the majority rather than the minority. Believing a man honest until he shows himself to be dishonest, is a good rule to follow in the settlement of losses, as well as in other matters in life. A close, technical adjustment by an ill-tempered Adjuster may save the company a few dollars, and at the same time result in tearing down a premium income that has been the work of years to build up. The payment of losses is as much a part of the business as taking the premium, and they should be adjusted promptly and pleasantly, thereby making a friend of the claimant, and business for the company. Certainly no company wishes to pay out its money for losses and at the same time lose the good will of an honest claimant. Oftentimes one Adjuster will pay as much, or more, in a settlement as another, and make an enemy for the company by the way he treats the assured, while the other makes a friend. This can be avoided by the selection of men as Adjusters who are not only competent to judge as to what a loss should be, but who are of even temper and have that natural trait of being able to handle people in a pleasant and at the same time firm, and satisfactory manner.

With all due and proper respect, I wish to close this paper with a few thoughts on what the Home and Department Office Management can do towards maintaining and increasing the premium income. In the correspondence between company and agent, the agent should be treated with proper consideration and respect. Short, snappy letters should be avoided, and if a policy is cancelled he should have a reason given for same. He should be treated as a man, and as one who is interested in the general welfare of the company's business; not as a mere machine, to do unquestioned the bidding of the powers that be. Fire insurance companies depend almost entirely upon the personal efforts of their management and field force to popularize the company. It is true, most companies have a few thousand calendars printed each year and, in addition to this, furnish their agents with blotters for distribution among their customers; but the calendar field, of late years, has been entered by the railroads, printing houses and merchants generally, to such an extent that on January first of each year you will find calendars by the dozens in every office and store, and not always, by any means, decorating the walls, but frequently filling the waste-baskets. As to blotters, the public has become so accustomed to having them furnished by the insurance companies that they take it as their natural right, and lose sight of the company that is paying for them. I doubt very much if the expenditure entailed in the purchase of calendars and blotters really pays the company, except to satisfy the agent and his customers that they are not being deprived of that which is rightfully theirs. No company could well afford to discontinue the issuing of calendars and blotters, however, for the practice has been too long established to be discontinued without injury

to the company's business. But why stop there in the matter of advertising? Why would not careful, persistent advertising in newspapers and magazines and along other legitimate channels tend to popularize the company and create a demand for its policies? It pays in the commercial world—then why not in the insurance world?

A maxim of the successful manufacturer is: "First, have an article of true merit, and one that the public needs; then, by judicious advertising, create a demand for it, and success is certain." Why do we ask a dealer for a certain article, and will take no other? Is it because it is the only thing of the kind on sale? No, but very probably because we are familiar with it, either by having purchased it before, or on account of having had it brought prominently to our notice in the public prints, or by other advertising methods. We are often prone to refer to our business as a profession; but even so, it is certainly not hedged about by professional ethics which forbid advertising, as are the professions of law and medicine. Most companies have advertisements in the various Insurance Journals. They should be continued, for they reach the agent and thereby benefit the company, but they do not reach, to any extent, the general public. Make the people familiar with the name and character of the company, and create a demand for its policies, and by so doing the settlement of the much-mooted question as "to whom the business on the books of an agency belongs, the company or the agent," will be taken out of the hands of both, and placed where it rightfully belongs—in the hands of the holder of the policy.

(Applause.)

The President—

We would like a discussion, gentlemen, of all the papers. We would like to hear from some of the papers which have been read.

The gentleman who will address us on "Idiosyncrasies of Fire Insurance" hails from Nebraska. That, I believe, is the home of idiosyncrasies, political and otherwise, and he is probably better fitted for the subject than any other gentleman here.

It is with great pleasure, gentlemen, I have the honor of introducing Mr. H. N. Wood, of Omaha, Nebraska.

IDIOSYNCRASIES OF FIRE INSURANCE.

Mr. H. N. Wood—

MR. PRESIDENT AND GENTLEMEN OF THE FIRE UNDERWRITERS' ASSOCIATION OF THE NORTHWEST:

It is a thoroughly established custom of all profound orators to open their addresses with definitions from Webster's Unabridged Dictionary covering their subjects under discussion, and all appreciative speakers are very thankful that there is such a source of unques-

tioned wisdom as Mr. Webster produced, and that the power to make all things perfectly simple and plain rested with the same authority. It is, therefore, now perfectly easy for any gentleman, however profound the body of his address may be, to have his subject at the beginning clearly and simply understood. Following this well-beaten path, on entering the jungle of my profundity, I am pleased to inform you, in Mr. Webster's own simple words, that an "idiosyncrasy" is "a peculiarity of constitution and susceptibility, occasioning certain peculiarities of effect from the impress of extraneous influences or agencies."

Now, I am perfectly confident my hearers thoroughly understand this simple definition, and having eliminated all questions of doubt as to the meaning of my subject, your very close attention is solicited to each logical step taken in the profound production with which, by the instigation of our President, you are about to be afflicted.

But, gentlemen, pleasantries aside, the real serious questions of the times are the "Idiosyncrasies of Fire Insurance," from whatever position we may view them, and it is well that from many papers many different views of the kaleidoscopic changes in our business may be presented from this platform to this most representative body of fire underwriters of the world, and I shall be fully paid for my timorous and reluctant efforts to interest you, if my paper may leave any impress of an optimistic character just now when everything tends too strongly, I fear, to drive us to a pessimistic condition of mind, often so dark as to preclude our catching the rays of a brightening future to our business which, down deep in the hearts of us all, we know must result from the united efforts of all the brilliant men whose lives are being worn away in this transition period, in a mighty struggle to solve the problems of the hour.

The fire insurance situation now, as ever, presents many different views, depending largely on the point of vision. To the public, whose friend and protector she is, our business is sadly misjudged and received, too often, as a pirate when presenting herself with open arms and offering "Phoenix"-like solace and comfort in the hour of distress.

To the legislator, since she has but few votes, fire insurance seems a legitimate craft to carry him to the next port beyond his present station, in his ambitious aspirations for political preferment. To the jury, fire insurance is an inanimate, soulless mountain of wealth, to be tapped by them to flow to the lap of the sufferers as plenteously as the plaintiff's attorney's sympathetic tears may suggest to their softened souls. To the judge, the element of facts must be fixed by the jury and the points of law be settled by the higher court, and in questions of doubt "discretion is the better part of valor," and he strikes the defendant a parting blow as a suggestion to the higher court in behalf of the sufferers, and to his constituency in behalf of his personal advancement. To the fraudulent claimant it is a clearing-house for the adjustment of bad purchases, poor business ventures,

failed or failing establishments of innumerable sorts, all of which he dumps at our feet and demands for the charred remnants, smeared with the filth of his own incendiarism, an instantaneous conversion of all to glittering wealth; while to the honest, unfortunate sufferers, it is a restorer of homes, a rebuilders of fortunes, a healer of disconsolate hearts, an inspiration to higher achievements. And to us, who are well grounded in her fundamental principles of indemnity, who are well versed, in her daily succor to the poor and in her constant restoration to the wise, in her intense loyalty to all her obligations; to us, fire insurance is, indeed, the "Handmaid of Commerce," the "Bulwark of Credits," the buoyant-spirited inspirer of the dauntless commercial aspirations of this commercial age. She treads the continents with the iron horse; she sails the seas with the leviathans of the deep; she throws her protecting arm with the speed of lightning; she is in the vanguard of Christian civilization, protecting from storm and flame the progress of the world. To us, she is worthy of our noblest thought, our highest ambitions, our profound consideration and our untiring zeal to keep her principles untarnished and her forward movement and development abreast the demands of the times.

But the present condition of the business is such as to invite the most searching investigation, backed by a manly determination to restore the good ship "Underwriter" to her former inspiring position in the commercial world. Those of us whose connection with the business reaches back to the palmy days of profits and settled conditions, are possibly too apt to sing the praises of the patriarchs of the business, to the exclusion of proper consideration of the demands of the present. And yet it cannot be denied that much of our present misfortune owes its origin to early deflections from the ethical code of the fathers, and while a young man myself I must, at this time, make my profoundest bow to the high sense of honor in competition which ruled the men who held the reins when the present generation learned the business.

When the present is unpromising and discordant, it is well to remember the past and draw from it whatever of good in principle and practice may be lacking in present policies. How well I remember the attitude of some of the patriarchs of the past toward unprofessional tricks of the business on the part of agents or field men! A letter I once read from the pen of the senior Warren left a lasting memory on my mind, that holds him to-day, though I never met him, on one of the highest pinnacles of my memory, among the many honorable gentlemen I have known. An Iowa agent had been charged with cutting a rate, and the tone of the letter was one of personal regret and injury, to think that such a charge could be made against one of his agents, and wound up with the confident belief that the agent had been falsely charged and could easily clear himself of any suspicion of wrong, now that the matter had reached his attention. Such letters from such men as William Warren is remembered to have been,

speak volumes for the condition of the business in his time, and ought to inspire us now to a close inquiry as to present conditions in the same direction.

And William Warren was not the only man whose high sense of honor in competition lifts him up in our memories of the past. I join you all in proud praise of the Cornells, the Bissells, the Williamses, the Haywards and the Bennetts—all beacon lights, from whose illuminations from the past we may well light our path to the future. Nor would I detract an iota from those brilliant patriarchs, their associates, who are still with us and to whose counsel and conservative advice we owe so much of good that is left in the business of to-day.

As compared with all those inspiring men of the years gone by, the present generation shines for its dauntless courage and push, which is not peculiar to our business, but seems to pervade the entire commercial world. For at present the successful man is the "hustler," and from Agent to Manager, he who seeks recognition must demonstrate his ability as a "business getter." This ruling principle has had full sway for a number of years, until we seem to have bred a climax which promises complete demoralization—to the verge of ruin—to the companies and to ourselves, and the cry of the hour is a demand for each of us to make of himself a "Moses" to lead us out of the Wilderness, and to do so we must understand the causes of our troubles.

To my mind, our chief sin is an almost insane demand for volume of premiums, while we buoyantly disclaim any responsibility for losses, which "must take care of themselves," and rush madly on, overlooking, in a measure, expenses, thus tempting the elements to wipe out that little vestige of profits for which the records of the past permit us to hope. This insatiable appetite for volume of business is a most prolific breeder of irregularities. It was this desire for volume which tempted certain companies to offer the agents extra remuneration for their services in directing business from its natural channels to their coffers, while the same agents professed complete loyalty to other companies whose favors to them should have warranted closer fidelity to their trust assumed when accepting their agencies. This paradoxical condition of the agent's representation, naturally enough, resulted in the unfortunate error of the commission agreement, which too often was signed under protest, with mental reservation, ratified frequently in advance by the company's field captain on the ground. And here came the parting of the ways. The agreement was received in disgust by the agents and signed under pressure, which prejudiced the cordial feeling which, in earlier times, existed between the agent and his principal, and since that time the agents have been inclined to manage their own affairs with their minds chiefly occupied with the net result to themselves, with little interest in the welfare of the companies. And this is one of the chief idiosyncrasies confronting us to this day; and one of the most promising and inviting fields for improvement at the present time is cultivation and recognition of our

agents as the chief corner-stone of our structure. They are awakening to the chaotic conditions now confronting us and, as a matter of self-protection, are rallying with united front to the support of any effective reforms we may have to offer.

This craze for volume of premiums, as the panorama passes, brings upon the scene the occasional Special Agent who, finding a field well occupied, but feeling the pressure for business, yields to the ever-present temptation to insert the knife, when the opportunity is present by his influence and practice to elevate the business and raise the standard of his profession and gain the respect of his associates. Gentlemen, the demoralization following the wake of one "business-getting" Special Agent, who disregards his obligations to his associates and competitors, can not be offset by ten of you who hold the profession in high esteem and whose life and character in the field is the mainstay of the business to-day. What a responsibility is this, with the Managers of the present day, when selecting Special Agents to represent them in the field!

To this craze for volume of business may also be justly charged the wonderful liberalization of forms of policies, until now we often see building, machinery, and stock—an entire plant—covered in one item, a violation of the fundamental rule of the times when profit, not volume, seemed to be the ruling spirit of the business. To this, also, may be traced the loose adjustment of losses—for benefit of the agency—as well as frequent references of losses to agents whose interests lie in the direction of satisfying claimants rather than justice.

Another idiosyncrasy, owing its birth to demand for volume of premiums, is that bane of the business, multiple agencies, and not being satisfied with multiple agencies under their own name, some companies have shown tendencies to breed whole litters of little "business-getters," of different names and colors, but all sustaining their lives from the same central source. In this same direction it seems an idiosyncrasy to the lesser lights of the business, that just when the tottering, mismanaged, parasitic companies are about to fail and thus drive patrons to buy good insurance, the benefit of a good, "husky" failure is prevented by some strong company assuming the liability and sailing the wreck grandly from sight, while its patrons "wink the other eye," and declare to our agents that "any old company is good enough" for them, as "none ever fail."

It is also an astonishing thing that companies are so fond of liability, that many of us accept it in astounding quantities and numerous cases at a remuneration wholly admitted to be far below its cost, even when estimated by profitable period experiences. So far has this matter gone, that it is a frequent experience for agents to offer us large quantities of liability in an exultant tone of voice, with no reference whatever to amount of premium—as though that were a minor consideration, and the volume of liability only sought.

Gentlemen, the time is upon us when we must individually learn

the value of our indemnity, and have the courage to see it flow to our competitors when the consideration offered fails to promise expenses, losses and legitimate profit. The times call for men of staunch and vigorous manhood, who possess courage of their convictions, and who are willing to sacrifice their record for volume in exchange for the old-fashioned but ever-sound idea that a legitimate profit for our stockholders should be our chief aspiration. With this return to the old ambitions, what a promising future opens before us! We stand to-day at the close of the old and at the beginning of a new century. Wonderful as has been the progress of the century now closing, who of us is gifted enough to portray the promise of the next?

This Association draws its support from a vast territory, unexcelled in its productiveness in the past and, I verily believe, unequalled in its promise and opportunities for the future. Heretofore the "star of empire" has pushed its westward course until it reached the sea, and now there is no "unsettled West" to which to emigrate. The development of the next fifty years, in which we are interested, will be as marked in our own territory as in any part of the world. When Dewey sank the Spanish fleet he pushed our western border to the doorstep of the Orient. He shocked the old superstitions of the East, as they had never been startled before. He made America the monarch of the Pacific. He drove the entering wedge that is opening the commerce of the world to our products. He solved the Isthmian Canal enigma, that will bring the Mississippi Valley water-ports four thousand miles nearer the heart of the Orient. Teeming with her millions of people, who shall estimate the tonnage of products she will demand of us? This means subdivision of our farming lands. It means constant increase of our population. It means building of factories and erection of cities. It means immense commercial enterprises, whose very existence must depend on the kind of indemnity the members of this Association may provide.

Gentlemen, the great idiosyncrasy of the hour is the impressive fact that the whole situation is "up to us." The patriarch has served his day. His conservatism has been a mighty ballast to the old ship "Underwriter," as she fought the swells of a stormy sea. The modern underwriter may have swung the pendulum too far in his push for business, but the future of fire insurance will be as we make it, so far as the great Middle West is concerned. And this is particularly true of the field men. There was a time when organization was so perfect that the Managers and Local Agents could do the business alone, but conditions have so changed and situations in the field are so sensitive that the Special Agent is now as indispensable as the Manager. Never in the history of fire insurance has the field man had such opportunities to impress the business with his personal influence for the up-building of the profession. The Local Agents with whom he deals, are ripe for reforms; the companies themselves are eager to stop the continuous loss of their capital, while the Managers at the helm are

steering us into a safer sea. What an inspiration the situation brings to us! Perplexing idiosyncrasies of the business seem to overwhelm us, but to the strong they, too, inspire to nobler effort. The hardest battles only tempt the brave. This is no time for puny indifference. Let him who falters step aside and make more room for confidence. Pessimism never won a battle. Optimistic, buoyant determination, applied with patient watchfulness, never knew defeat.

Gentlemen, may not the membership of this grand Association take step with the forward march of this commercial age, and bring our loved profession abreast the highest aspirations our most buoyant-spirited members have ever dared to hold? Proudly may we call her, then, the "Handmaid of Commerce," the "Bulwark of Credits," the foundation of all business enterprise, the product of our own establishment.

(Applause.)

The President—

There should certainly be some discussion of Mr. Wood's most excellent paper. We would be glad to hear from some. Let every member feel that they are at liberty to talk about it. (No response.)

Perhaps no member of our Association would admit that it "Does Not Pay to be Good." This is especially true, I think, of members living in Chicago and outlying States, not too far removed from this insurance center, but it appears that out in the mountain districts they are not so sure. It seems that the gentleman who will now address us asks us that impertinent question, and if he comes to no conclusion at the end, I am sure some of our members will be pleased to enlighten him.

Mr. J. F. Edmonds, of Denver, Colorado, will now address us.

DOES IT PAY TO BE GOOD?

Mr. J. Frank Edmonds—

MR. PRESIDENT AND GENTLEMEN OF THE FIRE UNDERWRITERS' ASSOCIATION OF THE NORTHWEST:

I am not going to answer the conundrum contained in the title of my paper; neither is it my purpose to show the moral side of the question. I leave that to our ecclesiastical brethren, and to the "still, small voice," trusting it is not too small and still to make itself heard.

I hope to make some suggestions on a purely commercial basis. I may show that honesty is a commodity which can be bought and sold, and possibly I may argue that a permit should be issued for its use by those not accustomed to its power or influence.

It is not difficult to find numerous instances of the profits to be derived from being bad. The Prodigal Son is a notable example,

though not an entirely safe one to follow. It sometimes might happen that the wrong calf would be killed. The Empress of China has found badness a paying job, and so have—well, I was going to give examples of insurance men whom it has paid to be bad, but I do not wish to mention the names of living men, for obvious reasons; and I find, upon reading their obituaries, that the dead were all good.

As we glance around us in this world we see good, honest, industrious persons occupying humble positions. We see others, endowed with similar capabilities, with no honesty of purpose, disregarding all established rules of society, Christian principles, and even good, common sense, living in luxury and ease, making comparatively little exertion, but readily accumulating vast fortunes. Finding these things, we are apt to answer the question in the negative.

What it means to be good, may be open to a variety of interpretations. Is insurance morality the same as any other kind, or has the business a particular brand of its own? It would seem that some insurance men consider our business exempt from the Ten Commandments, but those of us who are familiar with our Bibles will remember that the Ten Commandments were given out of the midst of a fire. The character of the risk is not mentioned, but it is evident that the Decalogue was evolved from a loss, and therefore, is especially applicable to Adjusters.

Let us assume, then, that the moral laws which govern the insurance world are the same as those by which men outside of that world are supposed to square their conduct. Does it pay, in dollars and cents, to obey these laws?

Does it pay the Local Agent? I begin with him, because he is the foundation of insurance. He is the capital of the business. There is a good deal of him, too. If all sorts and conditions of men keep on going into the insurance business there will soon be no one left to insure, and we shall be in the condition of those islanders of whom Dr. Johnson tells that they made a very precarious living by taking in each other's washing. The Local Agent cannot be classed as a unit. There are as many kinds of Local Agents as there are of Special Agents, or Managers. Yes, more.

The Local Agent is often a creature of circumstance. In a certain Colorado town there is a successful Local Agent, whose other occupation is that of a barber. The Special Agent of one of our largest companies told me recently how he happened to start this man in business.

This Special Agent had just succeeded in securing his supplies from an agent who had shown his unreliability, both in reports and remittances. He was leaving town, satisfied to regain possession of his company's property. On reaching the station he found he must wait some time for the next train, so he concluded to get shaved. The barber whose shop he happened to visit, following the precedents of his profession, began to talk. His conversation revealed the fact that he owned a dwelling in the town, as well as the furniture and fixtures of

his shop. The Special Agent, following the precedents of *his* profession, began to figure on getting these risks, plus as many more as the barber might control. Result, the supplies captured from the delinquent agent were deposited in the barber-shop, and its owner appointed the Local Agent for the Great and Only Insurance Company—a kind of insurance learned-while-you-wait transaction. Thus a barber by profession becomes a fire insurance agent by accident.

Another, who is to-day Manager of one of our strong companies, tried for months to secure the agency of good, bad, and indifferent companies. He had made up his mind to become an insurance agent, and had applied for nearly every company in the Spectator Chart. From some he had received polite—very polite—letters telling him that their present representative was satisfactory; or that his application had been referred to their Special Agent, who would doubtless call on him in due time; or that the company was not doing business in his State.

One day a gentleman, whom he has never seen since, came into his office and announced his appointment as agent of the American Flag Insurance Company. He told the stranger that he did not remember having applied to this company, though no doubt he had done so, and asked the reason for this appointment. The reply was, "In a conversation with the two Local Agents of this town, I find they seem to be so anxious to keep you out of the business and speak of you in such unfriendly and uncomplimentary terms, that I believe you are about bad enough to make a good insurance agent, and for this reason have decided to appoint you."

Thus, you see, a bad reputation sometimes acts as a recommendation, especially if that reputation is among your competitors.

Is the entrance to any other profession so easy of access? A failure in other lines of business often seems to make a man eligible to insurance; consequently we have the anomaly of finding that some of our most successful insurance men were former sewing-machine agents, reformed clergymen, undertakers, and bankrupt auctioneers. An enterprising individual in my State sells insurance, Radway's Ready Relief, Lydia Pinkham's Vegetable Compound, and coal over the same counter.

In preparation for my subject, I asked several Local Agents if they had found that it pays to be good.

The first one denied liability, said he had never tried it.

Another one answered, "Well, I suppose the man who is always straight is laying up treasures in Heaven, but the returns are slow."

The next one said, "When I strictly observe the rules of good underwriting I get the approval of my competitors, I get the respect of the community, and I get left."

The fourth replied, "It pays to be good—to myself. A man who loves himself always has his affection returned; and I do not take any stock in the passing of the Local Agent. I never pass anything."

The fifth man was one who has been in the local business for thirty-five years, and he speaks with the authority of long experience. These are his words:

"I fear that it often does not pay to be good, if we look only at immediate results. We have fallen on evil days, and the temptations are great to disregard rules, promises, and correct practices. Premiums are desirable, and we are apt to extend our views and look through glasses colored for the occasion which, used in looking at others' faults, would reflect a different hue. We are apt to be affected by our surroundings, but the strong man is he who rules circumstances and creates his own environments. The rate-cutting, rebating, and all their kindred evils, are not only bad morals, but they are bad political economy. They mean demoralization and financial ruin to-day just as they did on the Pacific Coast in 1896. I find that it does not pay to misrepresent matters of any kind to the companies, either as to rates, forms of policies, valuation, occupancy, or reliability of the assured. I have learned that it is only a matter of time until companies check me up and place me upon the unreliable list, depriving me of the standing with them which enables the Local Agent to get business accommodations so essential to an agency."

The man whose conversation I have given you speaks for a large class of agents who believe as he does, but who are not heard from as often as those whose opinions I quoted first. This agent is a fair sample of the successful agent of the day.

I did not have an opportunity to ask the Special Agent if he finds that it pays to abuse all other companies, or else damn them with faint praise; or to try to convince the Local Agent of his influence with the compact office in securing for him concessions, which influence proves to be mythical when tried, and the Local Agent discovers that he was simply being "worked," which reminds one of the adage that "He who keeps his mouth shut never eats crow."

Would not the Special Agent often find it would pay to make closer inspection of risks, instead of simply going to see if the risk is still there? Perhaps even the all-seeing eye of the Special Agent may be mistaken about the exact contents of a building viewed from the sidewalk or carriage. I have heard of Specials who make inspections in the agent's office by a method known among Christian Scientists as absent treatment. It is said to be effective and easy.

Does the Special Agent think that an excessive salvage pays when it comes home to roost in the form of a valued-policy law?

Does it pay the Special Agent to let his large, round voice be heard in the hotel rotundas, railroad trains, or other public places, boasting of some shrewd trick which he has employed in settling a loss? I believe that much of the opposition to insurance companies is caused in this manner, and the outside world is apt to be influenced by this kind of talk. As a matter of fact, all reputable companies try to make settle-

ments upon an equitable basis, giving rather than taking from an honest claimant.

After an adjustment, does it pay the Special Agent to try to persuade the assured that his title of Special Agent means the same thing as Special Providence, and that all other Specials belong to a class unmentionable to polite society? Such an Adjuster is very quick to promise the assured that he will temper the wind to the shorn lamb, though he had had a hand in the shearing.

Does the Manager find that it pays to be good? I suppose he must, because he is never anything else. In a paper read before this Association last year, Mr. Garrett Brown unjustly insinuated that the Manager does not agree with the poet who calls consistency a jewel. The Manager knows that consistency is a jewel, but he is unselfish and willing to let someone else wear it in his crown.

The Manager has troubles of his own, and he sometimes finds the seats of the mighty tolerably hard sitting. To conceal one's limitations is often the hardest work in the world. It is said that even that bird of wisdom, the owl, will occasionally hoot at the wrong time.

The sins of omission and commission—especially commission—in Local and Special Agents, must, in the last analysis, rest largely with the Manager. He accepts or rejects the propositions, and therefore is responsible for the methods. The Local Agent cannot successfully cut a rate or cause demoralization without the coöperation of the Manager. The experience of companies doing a large business as to certain classes of risks, their percentage of loss by classification, is so varied that no rule or table can be made or compiled that will be a guide or line to follow in all cases. We must rely upon our individual experience, intuitive feeling, and I might say prejudice. When you have to stop to think whether a thing is right or wrong, it is pretty sure to be wrong. How many of us can recall instances where losses have occurred on risks that we had cancelled because of some infraction of rules based upon either Union, Compact, State Board, or good underwriting laws.

Those whose business it is to handle losses will, I think, agree with me that upon at least forty per cent. of the Daily Reports on which losses are reported, there can be found some memorandum or notation made at the time the Daily Report was received, showing that there was something about the risk which called for an explanation, or showed something wrong about it. This percentage applies not only to losses on policies in force at the time of fire, but to those on which losses have occurred, whether in force or cancelled.

It is within the scope of managerial duties to look more closely to fire protection. We do not make enough difference in rates between protected and unprotected risks.

The question as to whether the Local Agents should fix the rates is one that cannot be answered by simply yes or no. It is not entirely new, because it has come up at times within the last forty years, and

the companies have been puzzled to know just how the rate question should be handled. As a rule, we would say that we think it hardly fair to impose upon the Local Agent the extra labor necessary, in order to rate a town intelligently, and we think that the best and most competent agents desire to be relieved of any such responsibility for several reasons:

First—Their experience may have been confined to the small area over which they have jurisdiction, and if they have not had any fires for a few years, they are liable to think that their rates should be lower than they ought to be.

Second—The judgment of the Local Agent is liable to be warped by the fact that he controls, or does not control, certain risks, and almost unconsciously he favors his own risks and "socks" it to the fellow who does his business with another agent.

Third—No matter what rates the Local Agents may make, if the assured knows that the rates are fixed by him, they are liable to think that they are discriminated against by the agent who does not control their business, and in consequence of not meeting with favor in their efforts to secure reduction in rates, they possibly, in turn, discriminate against the agent who is the most competent and disposed to treat them fairly, simply because it does not occur to them that agents should consider the interests of the company as well as those of the assured.

We do not think it wise for the companies to impose upon the Local Agent, by asking him to perform a duty which experience does not qualify him to determine as to what is right and proper; and further, do not think it just to place the agent in a position where he is liable to be criticised by the people of his town for having made their rates higher than they should be. Therefore, we conclude that it is better for the rates to be fixed by competent men of experience, who are entirely free from any personal interest in the matter one way or the other.

Our business is more personal in its nature than almost any other. It may be that this has a tendency to make us exaggerate one another's shortcomings. The wife of an insurance man told me recently that she has discovered there are only two honest men in the insurance business. I asked her which two. She replied. "My husband and the man he is talking to." It is barely possible that gossip may be added to the list of insurance sins. A great deal has been said about insurance becoming a Trust. It would be a good thing to enter into a gigantic scheme to trust each other.

I realize, of course, that no one present to-day is guilty of any of the lapses from virtue which we have discussed. They are all committed by one whose generic name is the "Other Fellow," and whose office is difficult to locate. He believes that it takes two to make a bargain, but only one to keep it. He has traveled in a circle so long that he has forgotten, if he ever knew, the geometric axiom that

a straight line is the shortest distance between two points. It would be a waste of time to talk to him if he were here, for his only idea of repentance is a determination not to get caught again. I believe that he sometimes deceives himself about the purity of his intentions. It is a pretty good plan to "know thyself," even if the knowledge must be kept a dead secret.

It unquestionably would mean something of present loss for a few to attempt reformation in our business without the cooperation of all. The story is told of a boy who discovered a small leak one evening in one of the dykes of Holland. Knowing the damage to the whole country from the giving away of the dyke, he stopped the leak with his finger, and was found in the morning chilled and weakened from his night's vigilance. His heroic action had saved thousands of lives, but it was hard on the finger. There are not many who are willing to perform acts when others receive the only benefits. On the contrary, most people who have an ax to grind are willing to have some one else furnish the motive power.

The latter-day standards in all departments of life are apt to be gauged by the one test of success. It is said that, to-day, nobody inquires by what road you came, if you only get there. Some of you have traveled the road to success and have arrived. Some of you are still on the way.

Does it pay to be good?

(Applause.)

The President—

There is an opportunity here, certainly, for a discussion of this excellent paper.

(No response.)

Mr. Van Valkenburg having been requested by President Greely to prepare to discuss the paper of Mr. Edmonds, had done so, but being absent from the meeting at the time, the Secretary takes the liberty of inserting his discussion, as follows:

Upon reading the title of the very excellent paper to which we have just listened, I hoped that not only would the question be fully answered, but the author would define what is meant by being good. But he declines the first, and leaves us to place our own interpretation on the second.

The examples of the Prodigal Son and the Empress of China bear about the same relation to the insurance business as do the decalogue or the golden rule. More applicable, it would seem, would be the version of the golden rule as revised by David Harum, "Do unto others as they would do to you, but do it fust."

The speaker assumes that the moral laws which govern the insurance world are the same as those by which men outside of that world are supposed to square their conduct, and then proceeds to ask the question, "Does it pay, in dollars and cents, to obey these laws?"

Reasoning, then, from analogy, we must assume that the results of our work in dollars and cents must be the test of our professional morality. But is this true? Beginning with the Local Agent, the source of our income—and, in fact, the only fellow in the business, all others being mere accessories—is it the professional and practically moral man who is always accepted and referred to as our best agent, if our premium receipts are away below the average of other companies in the same town, even though the agency has been a profitable one? Is it not rather the lively "hustler" who is heard of, talked about, and sought after, without a thorough consideration of the question of possible profits or losses? Is it not the premium-getter who is in demand to-day, and do we not too frequently fail to question his professional morality, only when we have attempted to secure a position in his agency and failed?

Gentlemen, let us look these matters squarely in the face, if we are seeking a remedy for existing evils. The speaker asks, "Does it pay the Local Agent, in dollars and cents, to be good?" Referring to the generally accepted meaning of the term "being good," I answer, No, it does not pay the Local Agent to be good, but it would pay *all* Local Agents. Does it pay the Special Agent? No, but it would pay all Special Agents. Does it pay the Manager? No, but it would pay all Managers. These may be plain, unvarnished truths, but they are truths all the same. When the millennium of our business shall have been reached all this will have been accomplished, but we are dealing with the cold and cheerless conditions of to-day, and, in my humble judgment, the speaker strikes the keynote of the vexing problem of being good when he says: "The sins of omission and commission in Local and Special Agents must, in the last analysis, rest largely with the Manager." Is it not true that the mere mechanical observance of promulgated rates, generally accepted correct practices, and the moral obligations which we are under to our associates, do not compose what is really meant by being good? Is it not possible that our experience may show us that promulgated rates may be too high on certain classes and too low on others? And should the strict observance of these rates persistently result in loss, would our directors not be apt to remind us that we are a little too good? Is it not among the possibilities that they might admit that they know little or nothing about the science of underwriting, but would suggest to us something about Patrick Henry's lamp of experience?

It is fair to say that, if we were in all cases guided by our experience, our results would be different, and our Board of Directors would conclude we had been good—not too good, but just good enough.

I have no desire to infringe upon any patents to obliterate any

time-tried theories, or to contravert any fire-tested facts, but it does appear to me this anomalous condition of affairs should not exist, viz., that our business must be conducted along the lines largely foreign to the manner of conducting any other business—railroad and transportation companies excepted—about the only difference being that they execute passes to parties with the proper credentials. We do not. We doubtless would if we could. We appear to realize there is something out of joint, and we do not seem to tire of meeting to ask each other what it is, and what the remedy. Are we profiting by these experiences, and are we approaching the goal which, when reached, will teach us what it is to be good?

It is more than a century since "Old Coronation" was written, and to-day throughout Christendom "All Hail the Power of Jesus' Name" is sung more zealously than ever, and listened to with more interest. "But all to no purpose," says the scoffer. We meet here from year to year and discuss, with increased interest, matters which have been discussed by underwriters for decades, and yet we find those who say they avail us naught. In this I cannot concur. The experience must be beneficial to him who manifests a willingness to take his medicine and profit by the dose. But returning to the vital question under discussion.

A friend of mine recently changed his position, leaving one company and engaging with another, both equally prominent. After a few months' experience in his new position I met him, and, among other things, I said to him, "How are you pleased with your recent change?" "Oh," said he, "they are elegant people to work for, but do you know they won't allow me to cut a rate."

His testimony is to the effect that it pays to be good. His position depends upon it.

Is not this a simple solution of the question? The responsibility is where the author of the paper under discussion places it, largely with the Manager.

Eighteen months ago a Manager said to me, "We made too much money last year." Now he says, "We lost too much last year, and are losing more this year." Suppose you are. If you have been good you have nothing to regret as to results. Mr. Adams, in his Annual Address this morning, put a pertinent question when he asked, "Why should one, or two, or even three, unprofitable years frighten us?"

This is the experience of almost every line of business. The application of sound business principles to underwriting is what is meant by being good, and he who adheres to this, need fear no criticism from those to whom he is responsible.

This being true, and I defy a successful contradiction, the question is answered. It certainly pays to be good.

Secretary Wagner—

I wish to make a couple of announcements before any of you leave. The chairman of the Committee on the President's Address, Mr. Howard De Mott, desires that the following gentlemen shall meet him in the rear of the room immediately after adjournment:

F. A. Vernor.

H. H. Friedly.

F. H. Whitney.

W. O. Chamberlin.

Whereupon adjournment was taken to September 27th, 1900,
at 9:30 o'clock A. M.

SECOND DAY.

MORNING SESSION.

THURSDAY, September 27, 1900.

The Association was called to order at 10 o'clock A. M., President Greely in the chair.

The President—

I am sorry that the attendance is so light this morning, but I have no doubt that the members will all be here within a half hour or so.

The gentleman who will present the first paper this morning is recognized as one of the best Inspectors of the Northwest. He has given careful study for many years to the questions which he will discuss, and the success of the company which he represents is certainly a guarantee that he knows what he is talking about.

We will now call on Mr. McCotter, of Ann Arbor, Michigan, Inspector Millers' National Insurance Company.

NEW CONDITIONS AND HAZARDS OF MANUFACTURING PLANTS.

Mr. McCotter—

MR. PRESIDENT AND GENTLEMEN OF THE FIRE UNDERWRITERS' ASSOCIATION OF THE NORTHWEST:

Well can this closing century be called the Industrial Century. At no period in the world's history has the material advancement been as great or as rapid. It has not required the full one hundred years to produce noticeable results, but within the life of this Association man has acquired an increased control over and use of the forces of Nature and perfected the results of preceding ages. In lines of production, during that brief space of twenty-eight years, can be traced the elimination of most of the handicrafts; the practical abandonment of certain lines like the burr mill, local carding and woolen mill; the encroachment of one business upon another, such as the cheapened steel upon the cast-iron foundry; the development of the steam engine, nearly destroying the work of sail-making; the development of the sewing-machine, trebling the boot and shoe industry. In the territory covered by this Association is noted the gradual exhaustion of certain industries, like the white pine, and the intro-

duction of entirely new ones, such as beet sugar and Portland cement. These changes have been so rapid that the new soon becomes the old, and much which was exhibited at our Centennial in 1876 is now out of date and, in a sense, becomes wealth destroyed.

PHYSICAL HAZARD.

The underwriter considers the fire risk from two points: the physical hazard and the moral hazard. In both phases one can find great past and prospective changes. In the physical hazard we have passed from the simple machine, largely worked by hand, to the complicated mechanism, but of heavier build and subject to more vibration, higher speed and greater pressure. Instead of the home-made gudgeon and rigid wood bearing, with no oil reservoir, we have the steel shaft and the self-oiling oscillating journal. The tallow and grease lubricants have been replaced by the refined mineral oils. From the power transmission by vertical shaft, gears and friction, we have passed to the belt and rope, and already are changing to the compressed air and electric motor. While water and steam are still the main sources of power, with an increasing use of electricity and heat engines, the working efficiency has been doubled in the past thirty years, and with this has come a great increase in energy and speed. In 1880 the pressure used in marine engines did not exceed seventy-five pounds per square inch, while now it reaches one hundred and fifty to two hundred pounds.

Prior to the birth of this Association, flame alone was the source of heat and light. Since that time the electrician has discovered a more intense and available service, and the electric energy is doing a work the flame could not accomplish. Not only is the hazard of flame reduced, but also that of friction. Electricity transmits an equal amount of energy with less mechanical action, because it conveys motion without the movement of the mass, thereby dispensing with a large amount of shafting, pulleys and belts, and applies the power direct to the machines, whether collected in a body or scattered throughout an omnibus building. To offset these advantages, the electrician is not limited to a few hundred volts, but is using a voltage running into the thousands, and is capable of producing a discharge at twelve million volts, scattering sparks hundreds of feet.

The chemist has been equally active in the production of and utilization of heat, the movement and storage of liquids, the handling and pulverizing of solids. A better understanding of the chemistry of heat, particularly as to the development and control of temperature, has, perhaps, caused the greatest advance in our resources. One hundred years ago the variation of temperature was from the freezing of mercury to the heat of a blast furnace, while now we range from liquid air at 200 Centigrade degrees below zero to a heat of 3,000 to 4,000 degrees above. At the beginning of the century a private laboratory in a factory was unknown. Now they are to be found by the

hundreds; and the factories and mills are practically becoming more and more operated with special regard to the laws of chemistry. The chemist has developed many ways of increasing and hastening the work, as in the bleaching process; and of producing artificial results, such as using creosote to give the smoky flavor of Irish whisky. Out of the waste of former days many by-products are now reclaimed, notably in the packing-house and crude-oil industries. From the retort and still are produced the acids, alcohols, oils and gases of modern commerce; and a variety of two hundred dyes, oils and acids, originally of vegetable origin, are now extracted from the Mineral Kingdom. In the process of the chemist, in making and unmaking combinations of the elements, are probably to be found the chief future problems of the underwriter—simplified by a less proportion of fires from friction, but complicated by the greater dangers from ignition and spontaneous combustion. The underwriter who, twenty-five years ago, hesitated to permit a few gallons of gasoline has now, under the evolution of manufacturing processes, to consider chemical fire hazards never before encountered in the business of insurance.

In the effort to meet and reduce the hazards of new conditions, the fire underwriter has constantly studied to apply "codes," standards and policy restrictions. The architect has been, in part, won to the "slow burning" and "open space" construction, and the horizontal and vertical hazards of buildings have been materially improved. The collection of dust and refuse has been systematized to a betterment of cleanliness and order. The fire engineer has perfected the fire engine, fire boat, chemical extinguisher and water tower, placed the electric-alarm system and watch-clock, the automatic sprinkler, and last, but not least, the use of the water barrel and bucket has become general. The value of these improvements and protective appliances is frequently shown when, with all of these virtues to be found in a risk, many "special" hazards can be written profitably at a less rate than "preferred" risks of the ordinary warehouse nature.

Reviewing all these changes in the physical hazard, it is an open question whether or not there has been a betterment by which the underwriter has reaped advantages and better results. Figures indicate not. Statistics for periods of five years each give the following loss ratios to each one hundred dollars of risks written:

1875-79, inclusive, average loss.....	43.99 cents.
1880-84.....	47.61 cents.
1885-89.....	51.60 cents.
1890-94.....	51.98 cents.
1895-99.....	45.23 cents.

results which do not justify reductions in rate or increases in expense.

In the past, the assured has not given sufficient attention to insurance cost as affected by the physical hazard, nor has the fire underwriter given sufficient attention to insurance cost as affected by the moral hazard, which has been so well interpreted as "that some-

thing which adversely affects business results." This phase of the business has become so broadened that to merely imply dishonesty does not describe the situation, and in the name of the assured, the field man and the Local Agent, a plea is made that a new word be coined which can be used in giving a property-owner reasons for judgment of his risk without implying the questionable integrity of himself or his neighbor.

MORAL HAZARD.

The side of the moral hazard to which your attention is called, is to be found in the industrial developments of the past twenty-five years. To comprehend the changes, does not require much delving into the theories of political economy or attention to the politicians' nostrums, at present so plentiful. All of the physical improvements which have been mentioned, have been brought about, not so much for their inherent value as for the economy gained in labor saving, lower cost of manufacture, greater production and better distribution, for the purpose of competition. The extent to which this has been carried is but little appreciated. When one person with machinery will manufacture the cotton goods consumed by sixteen hundred Chinese, and ten men will raise the wheat, manufacture, market and transport the flour, bake and distribute the bread for one thousand human beings, you have a ratio of production beyond the increase of population or the ordinary demands of consumption. The result is an overproduction, not necessarily of what could be consumed, but of what can be produced at remunerative prices. There seem to be no figures to determine the effect on prices of a surplus on the market. It has been estimated that a one-tenth deficit of wheat will raise prices three-tenths, and a two-tenths deficit cause a raise of eight-tenths. Applying a fraction of these effects as to a surplus, and it is easy to understand why, with a small overproduction or lag in trade, some manufacturer, through insufficient capital, imperfect methods, or other causes, will force his goods on the market. This is met by other manufacturers with methods by which production is increased at no greater cost. This simply increases the supply and lowers the selling price, calling for still further improvements to hold the trade. The result is that the selling price and the profit of any article is continually decreased, and though the lower price results in greater sales, the whole body of producers, moving together in a continued effort to gain advantages, arrive at a point where only the best equipped and favorably located can continue at a profit to produce their full capacity. It is also noticeable that during the periods of favorable demand the best-managed factories are still further improved and increased to try and maintain the old profit, which is frequently found in the utilizing of what others waste. Many statistics could be given showing an increase in the number of factories and mills, but a treble increase in the product. These conditions call for

greater capital and concentration of industrial effort, under the old trade maxim that it costs less, proportionately, to do a large than a small business, until at present we see it carried to the extreme in the Jumbo corporation, called a "Trust."

Any field man, by observation, will find many cases which verify the points given; and in the factories and mills of his territory are risks of all kinds, from the out-of-date to the most improved. The history of many will show that, from humble beginnings, they have been pushed to the utmost capacity and enlargement by favored location for supply of raw material and demand for product. Others have found the changed conditions leaving them short in either supply or demand, while others have been cut off from favoring conditions, until finally they are worn out or abandoned.

In the industrial changes there have been a number of other influences which have had a material effect on the results and methods of manufacturing. The development and cheapened service of the telegraph and telephone has made them absolutely indispensable, and their use in connection with the custom of taking orders in advance has greatly lessened the accumulations of stock in proportion to the volume of business. The wholesale stock is being evolutionized to a commission agent with a cupboard of samples. The reduction of railroad rates per ton per mile from 1.29 cents in 1881 to .753 cents in 1898, and the fast freight train, have gradually abolished the advantage of a local market, it being brought into competition with all markets. In addition, the "large quantity" or "long haul" shipper has been able to gain advantage over the small shipper. A large mill in Duluth can deliver a barrel of flour in Liverpool for fifty cents; a small mill in Illinois, in car-load lots, on different Trunk Line systems, for the same sum cannot ship over three hundred miles, while all mills are to-day laboring under the disadvantage of rates on wheat being cheaper than on its manufactured products. Another point is that of production to consumption. With flour the ratio is supposed to be one barrel per annum for each man, woman and child. At this rate the eighty-eight mills of 1,000 barrels daily capacity or over, can supply nearly one-half the flour used in this country, after exporting thirty per cent. of their output. This would leave for some 15,500 remaining mills a local demand of less than fifteen barrels per day, while it has been estimated that if all the mills of the country were to run full time for sixty days they could grind the entire year's crop of wheat.

It is not difficult to trace the influence of these new conditions upon manufacturing plants. They are to be found in every line of production, but data will be quoted as to flouring mills only. The census of 1880 showed 24,380 (known) flour mills in this country; in 1890, 18,470; and our 1900 census will show about 15,600. Yet during this time there has been an increase of capital invested of over forty-two million dollars and seven thousand more men employed, in

spite of labor-saving machinery introduced. One radical effect of the large mill is shown in Minnesota which, in 1890, had three hundred and seven mills, and these mills, with fewer men employed and less capital invested, had an output in value seven million six hundred thousand dollars greater than New York with its twelve hundred and thirty-eight mills.

With flouring mills, the rapid evolution in the early eighties in the process of manufacture from burrs to rolls was so evident that many insurance companies retired from that class of risks entirely, but hardly noticed or heeded has been this economic evolution, to be compared only to Darwin's inexorable law of "the survival of the fittest." The foregoing would infer the day of the small miller a thing of the past, because of his big competitor, and an unprofitable class of risks to accept. There are hundreds of small mills making snug fortunes for their owners, while the average returns of the large mill would be unsatisfactory to many underwriters. All classes of mills will continue, but the underwriters' profit will be secured only by "selection and inspection."

SELECTION AND INSPECTION.

Neglect of property—call it interested carelessness, if you wish—is one of the main causes of losses. On an uncertain venture or decreased income any man will neglect repairs and practice economics which will lead to physical defects and neglect of protection, and thereby increase of hazards and losses. An inspection of a risk will generally reveal, in the physical condition, the industrial status of the moral hazard under which it is working. Machinery of old pattern and slow action hints at a lack of enterprise. Worn-out belting and poor-working shafting are no signs of economy. The neglect of fire appliances, formerly placed at considerable expenditure, gives an impression of having seen better days. A lack of fresh paint or whitewash uncovers a multitude of sins. Many are the signs which speak louder than words and give to the underwriter the privilege of reading between the lines.

On an increasing business the owner is as alert to the fire hazard and its prevention as the underwriter. On a questionable future the alertness lies with the underwriter, and nowhere else, as he seeks his own profit in accepting the risk and the premium. Under these conditions the remedy thus lies largely in that much-neglected factor of successful underwriting, "selection and inspection." This branch of the work, in the past, has been ridiculed, misconstrued and misapplied, but a full analyses will show it ever to be a principle which, if practiced, is the fulcrum on which to rest the insurance lever and move the body of business out of an unsatisfactory position, and cannot be ignored by the underwriter who seeks either a minimum rate or a maximum profit. Not only is "selection and inspection" necessary in self-preservation, but it is required by the ever-pressing and reason-

able demands for still cheaper rates. With the reduced profits and closer competition the manufacturer can no more afford to pay the old insurance rates than the old interest rates and enter the world's markets with his goods. The flour miller to-day cannot pay fifty to seventy dollars a thousand for his insurance and carry a proper protection for his property without introducing a moral hazard for ourselves.

The points, as presented, far from cover the subject in all its bearings and influences, nor convey an idea of future changes. During the past twenty-five years the increased values and greater supplies which can be bought with the almighty dollar have revolutionized the comforts of life for the rich and poor, but at the sacrifice of old ideas, old methods and large values. The drift of population has been from the East to the West, and of business from the country to the congested district of the city. Lines of production have become so intermingled as to be dependent upon each other, and specializing is changing the nature of existence for the individual and the manufacturer. Workmen are becoming confined to one machine and factories to one article. Many so-called carriage factories are but "assembling" warehouses for other factories. From the past one could not have prophesied the present, nor on the present predicate the future. Conditions and hazards change with every invention. The passenger elevator made possible the high building, the electric railway has made the suburban values. The engineer will still endeavor to utilize Nature's forces as economically as herself, the chemist try to extract, by quicker processes, the products which have for ages been held in store, and the concentration and consolidation of commercial enterprise will demand the best of skill and experience. With the solving of each problem will come developments and changes to further diversify and increase the vast growth of commerce, and produce a corresponding amount of risks and premiums. In the past the fire insurance interest has been inclined to take conditions as found, with little attention to differences in risks or change in business methods. Its broad mantle has been thrown too much over the old as a burden to the new, but within the insurance ranks and with the experience gathered there should be a force which will mould the fire underwriting interests to any new conditions and hazards, and guard the commercial and industrial interests of our grand country in this or any land.

(Applause.)

The President—

Gentlemen, we would like a discussion of this very able paper on the points raised by Mr. McCotter.

(No response.)

If there is to be no discussion, we will go on with the program.

I felt that our program would not be complete without a discussion of National Supervision and National Insurance Corporations, and in inviting the gentleman who is now to address us I had in mind his clear, logical mind and character, knowing him personally, as I do, and I know we will be greatly benefited by his advice and counsel.

Permit me to introduce Mr. Frederick V. Brown, of the Minneapolis Bar.

Mr. Frederick V. Brown—

MR. PRESIDENT AND MEMBERS OF THIS ASSOCIATION: I cannot accept so flattering an introduction at the hands of the President without filing a demurrer, as it were. I believe it was Mr. Howells who said that the introducer and the man to be introduced, upon an occasion of this kind, say those things which we secretly believe about ourselves, but we blush to hear others say it. I assure you, however, that that is hardly the truth in this case, and that your President's words of approbation will be accepted upon your part rather as an evidence of his friendship than any merit on my part.

NATIONAL SUPERVISION AND NATIONAL INSURANCE CORPORATIONS.

Mr. Brown—

MR. PRESIDENT AND GENTLEMEN OF THE FIRE UNDERWRITERS' ASSOCIATION OF THE NORTHWEST:

It is a remarkable fact that the business of making and selling contracts of indemnity against the misfortunes of fire should find itself, at this age of the world, subject to more rigid and infinitely more burdensome supervision and regulation than any other business or traffic in which men are engaged. Even more surprising does this fact become when it is understood that such supervision is in no degree attributable to the claim, on any hand, that the business is or ever has been in the least measure perilous to public morals, health or well being.

On all hands the business has always been conceded to be legitimate, and some of its friends have even gone so far as to claim that it is beneficent in its purpose and results.

Yet the Manager of a fire insurance company, whose business extends over ten or twenty States, finds that he and his force of assistants must unlearn the knowledge of contracts and contract liabilities acquired in another field, perhaps, and they must apply themselves to learning the contents of and the liabilities incurred under almost, if not quite, as many different forms of contract as there are States in his territory—contracts that have not been prepared in the light of experience in the business, but solely with the view of compelling the

company to pay somebody something beyond the ordinary liability of a contract for indemnity. One would think, on examining the insurance codes of some States, that they had been devised by some Kiplingized law-maker, for the burden of their song is, "pay, pay, pay."

The statutes of the different States proceed with such utter abandon in their reckless provisions for payment, that it is not surprising that some astute legislator caused to be appended to the valued-policy law of Minnesota the thoughtful proviso that in no event shall the company be compelled to pay more than the amount mentioned in its policy.—See Section 25, Chapter 175, General Laws of Minnesota for 1895.

One can imagine the glow of conscious pride in his own rectitude that filled this honest law-maker's breast when he insisted on having that provision tacked onto a law which provides that an insured shall inevitably reap the benefit of his successful attempt to deceive the insurance company with regard to the value of his building.

But not only must this Manager learn the intricacies of all these differing policy forms, but his preconceived notions of the relation of principal and agent will be apt to lead him astray when directing the business of his company in a State whose statutes provide that if he employs a person to collect the premium on a policy of insurance, that such person becomes the agent of his company for all purposes whatsoever.—See Section 262, Wisconsin Insurance Code.

He will need to learn how to accept, with equanimity, the view in one State that "forthwith" means within a reasonable time, and that in another State it does not mean anything of the kind, but that proofs of loss required to be "furnished forthwith" are in due season if they come along any time within twenty-two months.

He will also be called upon periodically to attend to the formality of taking out licenses and to the real business of paying into the State treasuries 3 per cent. or more upon all the moneys his company has paid to its policy-holders for the property they have lost—for such, of course, is the result of a tax on premium incomes. This tax is levied upon the theory, presumably, that the absent-minded owners forgot to pay taxes on the property before it burned. Now, after he has acquired all the necessary information relative to the rights and responsibilities of his company over the entire field, the several legislatures are liable to get together and repeal all he knows, and the last condition of this man is worse than the first.

All these facts, though, while they demonstrate the inconsistencies of the law-making authorities, do not prove the wrongfulness of insurance supervision in itself and, at any rate, it is too late now to inquire into the right or the wrong of the general proposition. Supervision has arrived, and it has come to stay, and it will not be necessary to attempt to demonstrate before this assembly that if it is good, it is, at least, a good mixed with evil.

The errors and inconsistencies of the different systems of State examination, taxation and regulation have been too often brought to your attention to leave anything to be said upon that subject at this time. The mere fact of absolute contrariety in the laws and regulations of the different States is sufficient to convict some, at least, of error; for if some are wise and good, others must be foolish and evil. To the great majority of companies operating, as they do, in all or nearly all the States, the evil is hydra-headed, and error, like disease, is more difficult to contend with when complicated by a combination of different forms.

Mr. A. F. Dean, in his most valuable book on Fire Rates, to which work I cannot sufficiently express my obligations, has, it seems to me, clearly and with great force demonstrated the integral and at the same time national character of the fire insurance business and of the fire rate. After calling attention to the fact that all experience-schedules are founded upon average fire losses throughout the Union, he says: "The function of insurance is to disperse the blow of disaster from the individual to the community, and under the law of probabilities, the wider it is distributed in space and time the less the blow is felt; so the destruction of a planing-mill in a State where there are, perhaps, not six similar risks, which would bring disaster to the planing-mill industry of the State if this industry had to bear its own losses, becomes a bearable and uniform tax when the loss is distributed among all the planing-mills in the United States."

The author has here announced a profound truth, the importance of which cannot be too greatly appreciated. As the financial system of the Union was, with a wisdom that now seems almost omniscient, based on the contributing power of all the States, so should be and is the insurance fund based upon the joint contributions of the whole people and whole property of the nation, and just in the degree that the stability and financial soundness of our present currency system surpasses a conglomerate currency, based upon forty-nine different State systems, does the national system of insurance contribution surpass the State system.

Now, it must be apparent that the laws or regulations of any State which, in any degree, tend to increase the fire waste within its borders or the burdens of the companies, who are merely the conservators of this contributed fund, tend likewise to upset the workings of the general plan. If, by virtue of those laws, the policy-holders in that State receive larger indemnity or the State a greater measure of the premiums collected than others, then in so much have those laws worked an injustice to the property-owners in other States, by taking out of the common fund more than its just proportion in comparison with the amount paid in. The insurance system is a vast machine, its various parts working harmoniously together to distribute over the great whole, in equal and just proportions, the burden of loss and

misfortune which would otherwise fall with crushing pressure upon isolated parts. The tendency of inconsistent, and oftentimes hostile, legislative interference is to clog the wheels of this system, make one part work against instead of with the others, and finally to break it up entirely and compel the substitution of the less secure and less beneficent State system.

Mr. Max Cohen, the able editor of *Views*, Judge Ostrander, and Mr. W. H. Mylrea, have all forcibly called attention to the inconsistencies and absurdities in the provision of the laws of different States, and they, together with Mr. Dean, have successfully exposed the error and fallacy of valued-policy laws, anti-compact laws and anti-co-insurance laws; but it seems to me that the particular vice of the State system of supervision is the lack of uniformity in the regulation and control of a business uniform in its very nature. Supervision by States is of necessity a method of supervision in spots, and not of the entire business, and cannot, therefore, be attended with the good results that would be attained by a supervision covering the entire field.

It is apparent now to the careful observer that a conflict over the right to maintain some system of classification of risks and uniformity of rating is inevitable, and the only proper field for the settlement of this controversy is the national one. We are on the eve of great discoveries in economics along the line of uniformity and coöperation. The scheme of combination and coöperation for uniform prices, both of material and labor, and for equal division of the benefits of trade and employment, is at least the first step toward practical socialism. If, in fact, it is not the *ne plus ultra* of successful coöperation.

It is almost universally recognized that commercial enterprises can best be conducted under a common management, and that many great and needless wastes are thereby prevented.

Experience likewise has taught that this economy results not only in increasing the profit of the producer, but at the same time has reduced the cost to the consumer.

But the right to make and maintain uniform rates of premium for insurance rests upon a higher ground, being that of simple justice to the purchaser and of necessity to the capital invested in the business. It will not be necessary to more than allude to the necessity for uniformity in rates to prevent utter demoralization of business. As Mr. Dean points out, even the companies that refuse to maintain any sort of an organization to promote uniformity of rates freely use the rates established by organizations maintained by others.

While I can scarcely agree with those who contend that the fire rate is a tax, I do agree with them that its burdens should be distributed with the same uniformity and impartiality as though it were a tax, and that the same reasons exist for preventing discrimination here as in railroad rates. For a quarter of a century the Federal

Government has been wrestling with the latter subject, and the result of a careful, impartial investigation from the broad standpoint of a national view, has been concisely stated by the chairman of the Interstate Commerce Commission, as follows: "Properly considered, the tolls paid to the carrier are in the nature of a tax, and the relations between the railroads and their patrons are not contract relations, save in a limited sense and for special purposes. Therefore, whatever tends to stability and uniformity of charge by railway carriers is, on the whole, to be desired and promoted."

Practically, therefore, the choice lies between competition on the one hand, with the inevitable outcome of discriminations which favor the few at the expense of many; or like charges for like service, which can be realized only by allowing coöperative action by rival railroads.

Supported by so good authority and by the absolute soundness of their position, the fire insurance interests can no longer afford to skirmish with this question in isolated contests with State anti-compact laws, nor be forced into the position of appearing to evade those laws by the use of private rate-books and other agencies of that character.

The time has come to confidently contend for a wise and justly administered system of classification under the sanction of legal authority. Such a system alone can insure the capital invested against the ruinous effects of piratical competition and, at the same time, secure to the purchaser of fire insurance a rate based as nearly as possible upon the actual cost of protection.

There is a just and proper rate based upon actual cost, at which every ordinary risk, free from moral hazard, may be written at a fair profit. Property-owners are willing to pay that rate for their protection, and the companies should not be asked to carry it for less. The only protection the purchaser requires in this regard is the authoritative collection and publication of the facts relating to the cost and the rate of profit. It is impracticable and unnecessary for each State to collect and publish this information; the work can be far more economically and satisfactorily done by the General Government for the benefit of all the States.

This work, as well as all the needed reforms in the public control of the insurance business, can only be accomplished by transferring the entire duty from the several States to the National Government.

The question remains, how may this be done? To the writer there seems but one way, and that is by conferring on Congress the power to make uniform laws affecting the subject of insurance.

THE PLATT BILL.

It is well known that Senator Platt, of Connecticut, introduced, during the last Congress, a bill popularly supposed to contain provisions calculated to give the necessary relief. That bill proposes to

create the office of United States Commissioner of Insurance; declares all corporations that write insurance in States other than the State of their domicile, to be engaged in interstate commerce, and subject to the jurisdiction of the Commissioner, who shall have power to examine into their financial condition, and licenses them to do business in all the States of the Union, and exempts such companies from the payment of taxes on premiums or license fees in the several States. Of course, there are many of the familiar details in the bill with reference to the financial standing of the companies, looking toward the protection of the policy-holder, but in substance the bill, on its face, purports only to substitute Federal examination and licensing for the State systems.

There is nothing in the bill relating to the form of the contract, or the liabilities and rights of the companies under it; it does not assume to legislate upon the subject of rates or compacts for uniformity of rates; nor is there anything contained in it tending, in the least degree, to interfere with the right of the States to legislate upon those subjects, unless it is the declaration that these companies are considered to be engaged in interstate commerce.

Passing for the moment the question as to the legal effect of that clause, let it be conceded that Congress has the power to declare contracts of insurance made in one State, which are to be performed in another, interstate commerce, still no one will contend, I believe, that a contract which is made in the State of Illinois, for instance, and which is also performed and fully completed in that State, is an interstate transaction, even though one of the parties to the contract resides in another State. It is familiar law that a hauling of freight from one point to another point in the same State is not interstate traffic, although hauled by a railroad incorporated under the laws of another State and engaged somewhat in interstate traffic. And it will be conceded that Congress has not the power to make it so. Hence, although such companies as are mentioned in the Platt Bill may be engaged in some measure in interstate commerce, they are certainly not so engaged when transacting the business of insurance in the manner in which the great bulk of it is transacted, by and through resident agents who issue policy contracts covering property in their respective States only.

Congress has not, by the terms of the Constitution, control of persons or corporations engaged in interstate commerce; it has control only of the business itself, which is properly denominated interstate. Otherwise the persons or corporations so engaged are subject to the State laws and jurisdiction in all respects, as witness the State control of railroads in all matters not relating strictly to interstate commerce.

But had Congress any power whatever to make a transaction interstate commerce by its mere *ipse dixit*?

It is fundamental that each department of government is supreme within its proper sphere, and that all departments are limited in their power by the language of the Constitution. To Congress has been confided the power of legislating with reference to the matters that are specified; to the Supreme Court belongs the exclusive power of construing those laws and the meaning of the Constitution.

Now, the Supreme Court has determined, in the familiar case of *Paul vs. Virginia*, and later in *Hooper vs. California*, that the business with which the Platt Bill undertakes to deal is not interstate commerce within the meaning of the Constitution; and hence not a proper subject for congressional legislation.

This is the well-settled doctrine of that Court, and it is apprehended that that tribunal would regard with extreme jealousy any attempt on the part of Congress to usurp its functions and place a contrary construction upon the Constitution.

Besides, we might all feel a just apprehension at any indication of a disposition on the part of the National legislature to set aside the safeguards of that venerable document and place its own construction upon its powers.

In the case of *Hooper vs. California*, the appellant, Hooper, was convicted under a California statute of procuring insurance in that State for one Mott, from the China Insurance Company of Boston, which was not authorized to do an insurance business in California. The subject of insurance was a vessel then in California waters. Hooper was not the agent of the China Insurance Company, but was acting as the representative of Johnson & Higgins, Insurance Brokers in New York City. Mott inquired of Hooper for insurance, and Hooper communicated with Johnson & Higgins, who replied, accepting the employment and notifying Hooper that the risk would be covered from a certain day, but not telling him what company was going to issue the policy. Hooper conveyed this information to Mott. Subsequently a policy, issued by the China Company, was received by Hooper from Johnson & Higgins and delivered to Mott, who paid the premiums at San Francisco.

Two points are obviously suggested by these facts: First, that the contract of insurance was entirely made outside of the State, and hence the act of making it was not in any respect subject to the laws of California. Second, that if the transaction was not entirely consummated outside of the State, that at least it was a contract made partly in each State, between parties resident in both, and hence was interstate commerce. The Supreme Court of the United States disposed of the first point by saying: "The admission that the insurance was procured for the resident from a foreign company which had no agent in the State, does not preclude the possibility of its having been procured within the State. If it were obtained for the resident by a broker who was himself a resident, this would be a procuring in the State and be covered by the statute."

As to the proposition that the transaction was one of interstate commerce, and hence not subject to the jurisdiction of the State laws, the Court says that the business of insurance does not generically appertain to such commerce, has been settled since the case of *Paul vs. Virginia*, and the *Philadelphia Fire Association vs. New York*, decided twenty years later than *Paul vs. Virginia*, wherein that case was followed and approved. The Court further says: "If the power to regulate interstate commerce applied to all the incidents to which such commerce might give rise, and to all contracts which might be made in the course of its transaction, that power would embrace the entire field of mercantile activity in any way connected with trade between the States, and would exclude State control over many contracts purely domestic in their nature." This last utterance is significant as indicating the view that Court would be apt to take of any attempt on the part of Congress to enlarge its powers in this direction by declaring insurance to be interstate commerce.

So it seems to the writer that any attempt to regulate the business by any such means as the Platt Bill must necessarily be futile, because it has been finally and conclusively settled by the Court of last resort that no part of the business is interstate commerce, and because, further, the great bulk of the business is, and always will be, transacted wholly within the several States. Not only do the laws of most of the States require the contract to be wholly made within the State, but the very nature of the business, so far as fire insurance is concerned, imperatively demands it.

That corporations organized under the laws of one State do not thereby become entitled to conduct their business in other States, or to receive the benefit of the equal protection of the laws of other States, is now too well settled by the decision of the Supreme Court to afford the slightest possibility of any modification of that doctrine under the present Constitution. The principle, in brief, is that a foreign corporation is not a citizen within the meaning of the Constitution, and that hence they may be entirely excluded from transacting their business in other States. From this it follows, and has been decided, that in admitting such corporations to do business in the State any terms or conditions may be imposed which the legislature of that State sees fit to devise.

In order to evade this absolutely arbitrary control of the insurance companies by the State, it has been proposed that the government should authorize the incorporation of National Insurance Corporations, empowered to transact business in all the States, similar to National Banking Corporations.

It is argued that Congress has the same power to incorporate insurance companies as it has to incorporate banks, and since I have never seen the argument answered, I will undertake to discuss it here.

It is true that no express power is found in the Constitution authorizing Congress to incorporate banks, but that instrument does

confer upon Congress the management and control of the finances and currency of the country, and at an early date the scheme was devised of supporting the financial system of the government and providing, at the same time, for a currency by incorporating national banks authorized to issue a currency secured by the deposit of government bonds. The national bank thus became, to a certain extent, an instrumentality of government, and in the case of *McCulloch vs. State of Maryland*, decided in 1819, it was decided by the Supreme Court, Chief Justice Marshall writing the opinion, that since the end in view, viz., the establishment of a national currency system, was legitimate, and the means, i. e., the incorporation of banks, was not prohibited, that hence the power exercised by Congress in that case was within the constitutional grant of legislative authority. Thus the right to incorporate those banks became established as a proper function of the national government, not because a power to create corporations had been expressly conferred on Congress, but because the creation of banking corporations was an appropriate means of exercising powers which had been expressly conferred.

It is probably too late now to attempt to commingle the business of insurance with the financial system of the country, even if such a system would be in any respect adequate for the needs of the business, and it must be perfectly plain that the plan of creating national companies is otherwise impossible.

The deduction to be drawn from the situation, we think, is that the only measure of relief at all fit or adequate, is a measure which will prescribe uniform laws for the regulation of the business in all the States, a single system of examination and licensing, and a uniform regulation by Congress of the terms upon which the companies may be permitted to do business in all the States. No one of these remedies will be sufficient or at all acceptable, it seems to me, without the others, and it appears plain that none of them can be attained without a change in our fundamental law; in short, an amendment to the Constitution.

It has been suggested that the interests of the companies will not suffer by an attempt to legislate along these lines under the present Constitution, for if the Supreme Court shall declare the Platt Bill, for instance, void, that they will be in no worse condition than they were before. With that view I do not agree. It has always been the experience of this country that any attempt on the part of the General Government to encroach upon the prerogatives of the States has been regarded by the people with great jealousy, and I think it would be extremely unfortunate for the insurance interests to be placed in the attitude of asking for or supporting such an attempt, especially should it result in failure. Besides, it is almost inevitable that such a course would very materially defer the final success of the plan to obtain National supervision by means of an appropriate constitutional amendment.

With reference to how this shall be accomplished, the best suggestion that I have yet seen comes from Mr. Mylrea, in a paper read by him at Detroit last year. He says in part: "Why not supervise or regulate other corporations than insurance companies? Is not the regulation or supervision of all corporations, authorized to do business outside the limits of their own domicile, a step toward the solution of present industrial conditions? With a proper constitutional amendment Congress would have unlimited control and supervision of all the great corporations and combinations, and would, in time, be able to so form a code of legal procedure as would compel these corporations and combinations to obey the laws of the country and thereby destroy any ground of complaint that may exist at the present time against these instruments of business. In this regard the interests of the insurance companies are certainly in line with the interests of the people."

Since that suggestion was made by Mr. Mylrea the probability of an amendment to the Constitution being proposed for that very purpose has very much increased, and it appears entirely feasible to procure the submission, at least, of such a proposition for the National control of insurance along with proposals for National regulation of other large corporations. Together with these will, in all likelihood, be submitted the proposed amendments looking toward uniform marriage and divorce laws and the election of United States Senators by direct vote, and they will undoubtedly lend the effect of their popularity toward creating the great public interest which it is necessary to have in order to bring about any amendment to the Federal Constitution.

This paper having already passed a reasonable limit, I must not further trespass upon your time, but, in closing, let me venture to express the hope that by means of such Associations as this, through which you undertake to inform and strengthen yourselves, there will be accomplished the education of the people at large with reference to the proper nature and standing of your profession, and that through that education will come to you that equal and complete justice to which all are entitled who assist in maintaining the integrity and the glory of our institutions.

"For I doubt not through the ages one increasing purpose runs,
And the thoughts of men are widened with the process of the suns."

(Great applause.)

The President—

Gentlemen, we would like a discussion of this most skillful paper. We have here officers and members of several companies, and would be very glad, indeed, if some of them would give us their views on this paper.

(No response.)

If no one cares to discuss this paper—if you think that Mr. Brown fully covered the point made, we will pass on to the regular business.

The Committee appointed to Nominate the Board of Directors for the ensuing year is ready to report. Mr. Cate, I believe, is chairman.

REPORT OF COMMITTEE TO NOMINATE BOARD OF DIRECTORS.

Mr. Cate—

MR. PRESIDENT AND GENTLEMEN OF THE ASSOCIATION:

The report of the Committee to Nominate the Board of Directors for the ensuing year, suggest the following:

P. D. MCGREGOR.....	Chicago, Ill.
JOHN MARSHALL, JR.....	Chicago, Ill.
R. D. HARVEY.....	Chicago, Ill.
S. D. ANDRUS.....	Chicago, Ill.
R. H. HUNTER.....	Chicago, Ill.
D. S. WAGNER	Chicago, Ill.
GEO. W. HAYES.....	Milwaukee, Wis.
H. N. WOOD.....	Omaha, Neb.
C. C. MARTIN.....	Kansas City, Mo.
J. IRVING RIDDLE.....	Terre Haute, Ind.
GEO. P. McMAHON.....	Detroit, Mich.
WALTER H. COBBAN.....	Minneapolis, Minn.

Respectfully submitted,

S. E. CATE,
M. H. N. RAYMOND,
GEO. M. LOVEJOY,
JNO. H. GRIFFITH,
H. N. KELSEY,

Committee.

The President—

Gentlemen, you have heard the report. What will you do with it?

Mr. W. S. Abbott—

I move that it be accepted and adopted.

The President—

Motion is made that the report be accepted and adopted. Is there a second?

T. H. Smith—

I second the motion.

Motion put by the Chair, and carried unanimously.

The President—

The "Present Trend of Coöperation in Fire Insurance" is the subject of the next paper on the program. There is no member of this Association who is more capable and earnest in his efforts to bring about satisfactory conditions in our business than the gentleman who will talk to us on this subject.

Gentlemen, I take great pleasure in introducing Mr. J. P. Hubble, General Agent Greenwich Insurance Company.

Mr. J. P. Hubble—

MR. PRESIDENT, LADIES AND GENTLEMEN: I wish first to express my thanks to our President for the very flattering introduction he has given me, as well as for the opportunity of addressing this representative body of fire insurance men.

Every rose has its thorn, and the pathway of man is lined with thistles, and that brings to mind a story of an occurrence that took place in this room some years ago.

Upon that occasion one of the best underwriters in Chicago, and one of the most eloquent members of this body, delivered the Annual Address. His wife came down to share in the honors, but coming in late got a seat near the door, and there was more or less confusion, and the orator's voice was not very strong. She could see, as he got warmed to his subject, the graceful gestures, and intelligence, and earnestness in his face. She could see his lips move and his jaws work, but she could not hear what he said. She endured it as long as she could, but finally reached over to a friend, and in a stage whisper said, "What is Wiley doing? Is he chewing gum?" All of which goes to prove that it takes a brave man to face this assemblage, and when his wife is present, a hero.

THE MODERN TREND OF CO-OPERATION IN THE INSURANCE BUSINESS.

Mr. Hubble—

MR. PRESIDENT AND GENTLEMEN OF THE FIRE UNDERWRITERS' ASSOCIATION OF THE NORTHWEST:

A philosopher has said "The whole crux of civilization seems to me to lie in the fact that the savage does what is best for himself and the civilized man what is best for humanity at large. Government is but a great, mutual insurance society against human selfishness."

There was a time when man clothed himself only in his own skin in summer and that of animals, scarcely less savage, in winter. He pitched his habitation where fancy led him, and when he wanted to move he had only to put out the fire and call the dog. When the alarm clock under his belt warned him to refresh the inner man, he

grasped his hunting-club, went into the forest, ran down a deer and had fresh meat for dinner. There was no game law to molest or consequential damage clause to make him afraid. He had but his own wants to supply and relied upon his cunning in the chase, fleetness of foot, and skill in making hunting-clubs. Even this ideal existence did not satisfy all. Some man, who was probably too lazy to hunt, and given to gossip, spent his time lamenting the good old days when the wild beasts came to man begging to be killed and eaten. As he sat on a log, surrounded by a circle of admirers, solving great problems of woodcraft and domestic economy, his facile hands, keeping pace with his soaring thoughts, developed the noble art of whittling. It is an open question as to the value of this discovery from an economical point of view, as it is conceded that its effect on the corn crop has been hurtful, though its influence on horse-swapping and political discussion has been stimulating. The first whittler, however, used his newly-found accomplishment in the manufacture of hunting-clubs, whose superiority was admitted, and we learn that he was soon exchanging clubs for meat.

Then a man invented a process of tanning skins, and his wife organized a sewing society, thus at one stroke improving the style of dress and hastening the dissemination of news. Here was sown the seed of what has developed into the thing we call commerce. It would be irrelevant, in discussing our present subject, to follow the evolution of the germ of exchange, but we may, with profit, consider its effect upon mankind, by contrasting society as we find it to-day with that sketched in the beginning.

This morning we arose from a mattress made in Milwaukee, bed-springs from Pittsburg, bedstead from Grand Rapids, raising our head from a pillow filled with the feathers of a goose that once navigated the fresh waters of Missouri, sheets from the southland; we stepped upon a rug from the Orient, borne across the seas in a ship built on the Clyde, and manned by as many races as there were sailors in the crew; we clothed ourselves in garments from foreign countries and many States; we sat down to a breakfast of cereals from the waving fields of Kansas, fruit from the tropics, bread from the Dakota wheat-fields, coffee from Java, sugar from Hawaii, a steak from a steer born on the sandy plains of Texas and fatted in Iowa; the table and its settings were furnished by the mines and workmen from many countries; we read the morning paper, to which thousands of men in all parts of the world contributed, and by the time we began our daily work we had enjoyed the labors of half a million men in every quarter of the globe and had added to their support and happiness, as they did to ours.

The club-maker did what was best for himself, while we, governed by the laws of civilization, do what is best for all, and we may sum up the difference in the word "specialization." Practice makes perfect, and if man is permitted to employ his intellect or hand along

some specific line of thought or action he will develop his specialty to a high degree.

Insurance is a by-product of commercial advancement. It manufactures and initiates nothing, yet its protecting and sustaining hand is extended to every line of mechanics, trade and finance. Its inception and growth are marked with as strong contrasts in the different periods as that of society in the two eras above cited, with this essential difference, that it has made history by decades instead of centuries.

Those old speculators, sitting around the tables in Lloyd's Coffee House, made wagers with merchants and ship-owners as to whether a vessel and its cargo would safely make the voyage. They had no tariff-schedules or classification-tables to govern them, but they build-ed wiser than they knew. Under the benign influence of their protection commerce and ship-owning were transferred from the realm of speculation to that of legitimate and sound business venture. This was the hunting-club era of insurance. Few of us appreciate the extent to which England's commercial supremacy and the advancement of civilization are directly attributable to insurance. The convenience of placing a whole risk in one company and the necessity of some form of combined action, were so plainly demonstrated that we find stock companies with ample capital and equitable and uniform contracts, taking the place of the individual underwriter, with his vague and uncertain agreements.

The second period dates from the organization of the first comprehensive association by companies, and through an exchange of opinion a uniform tariff was evolved which, though crude, as measured by present standards, was really a great stride forward. This was so recent as to be within the life-time of men on this floor. The next step was to construct a machine to collect these tariffs, and State and Local Boards were formed. Like all human institutions, at first the company organization was imperfect. It was, however, of great value, being founded upon the correct basic principle, coöperation, and it became permanent as mutual confidence was established. Its mistakes are now apparent, because, as we all know, our hindsight is so much clearer than our foresight. We point out these faults in a friendly way in order to hasten their undoing. We may sum up its errors in the words "secrecy", and attribute its failure to accomplish all that was desired of it, to its lack of taking the Local Agents and the public into its confidence. Instead of being a normal school for making teachers of the Local Agents, in order that the premium-payers might be educated in our business, there was too much of the Star Chamber. Correspondence was conducted over signatures of signs and symbols, the press was left to draw its own conclusions as to legislation affecting the public, and, naturally, where there was so much gloom and mystery, suspicion followed every act of the Tariff Association. We now see the dawn of another day.

The doors have been opened to conference with Local Agents and a stream of light has poured into the organization, illuminating the dark places and broadening the range of vision of those within.

The Local Agents' Association comes at an opportune time. We welcome it as a co-worker in the, just now, all-important task of enlightening the public and thus bringing about the repeal of the vicious and extravagant legislation that is now burdening the property-owners and the companies. The organization is on trial; its every act will be scanned and criticised, because its possibilities for good are so great. Wisdom comes from counsel, and conservatism with responsibility. The foundation laid is deep and broad, and its growth and power is only limited by the amount of confidence inspired by the wisdom of its actions. It is the tribunal that will finally settle the commission question, multiple agencies and brokerage. It stands for the same principles that the company organization represents. It seeks equity, uniformity and stability in rates, forms and practices; so does the company organization. It desires the blotting out of that relic of barbarism—the rate war; so does the company organization. It has, by resolution, declared for the principle of organization, though the fact of its existence makes this almost unnecessary. Its birth marks a distinct epoch in the social advancement of the business. The next time it is called upon as a friendly power to mediate between a company seeking to destroy the business in a given city, and its members, it will, without doubt, consider and protect the interests of innocent companies as well as the guiltless agent. If the lion and the lamb are to lie down together, the lamb should be on the outside. The Local Agent will say whether the doctrine that the resignation of an agent is justification for a rate war is the true one. These questions are before the Agents' Association, and upon the verdict will depend the extent of its future power and usefulness.

It has also been said, "With increasing specialization of functions comes increasing inability with each part to perform the functions of other parts." We might add that with sundry developed forms of activity even the smallest function becomes an absolute necessity to the success of the whole.

What a disturbance to the whole business and social life of a large city is caused by a street-car strike! Consider the inconvenience of a breakdown in an electric light plant, or the bursting of a boiler or disablement of an engine in a water-works plant. In these days of social and industrial development we place certain duties in the hands of each; the failure or neglect on the part of anyone to fulfil the requirements brings annoyance and sometimes disaster to the whole community. The company association has demonstrated the necessity of associated effort in rate-making, in regulating the process of manufacture, the construction of buildings, the use of dangerous methods and agents for heating and lighting, and by a charge for

defects, constituting itself a guardian for property and human life itself.

We have now arrived at that period of the evolution when, to go further, we must be supported by a compact body of agents and a friendly public sentiment. We must specialize our work in order to reduce the cost of our protection. To the alarmist we would say, there is work for all of us. The invention of the spinning-jenny threw the cotton industry into a panic; disaster was predicted when a machine should take the place of twenty men. The question was asked, "What will become of the nineteen who are not needed to run this machine?" Let us give the real result: In 1831 there were 601 cotton mills in the United States, with an average capital of \$60,702. The ratio of consumption of cotton per capita was 5.20 pounds, and the price 17 cents per yard. In 1860 there were 756 mills, with an average capital of \$273,403. The ratio of consumption was 13.90 pounds per capita, price 7 cents per yard, and wages 60 per cent. higher.

Let us say to the Special Agent who looks with apprehension upon an Adjustment Bureau, and with alarm upon the report of the expert inspector, that we may dismiss his fears, and while to-day he is called upon at a moment's notice to adjust a loss, appoint a new agent, inspect a risk or collect a balance, it takes no prophetic eye to see the day when he will be permitted to select that branch of the business most congenial to him, and be given the time and opportunity to perfect himself therein.

We should remember that insurance enters into the cost and selling price of every article of manufacture and consumption, and is as much a necessity as the railroad or telegraph. No other avocation offers such an inviting field for every phase of human temperament. In this country, untrammelled by precedent, we have invited and imbibed many theories, we have tried them in the crucible of experience and obtained many golden truths. These we will keep, and though some have been zealously guarded by their owners, they will be added to the common store, for already we have schedules upon certain classes made up from the combined experience of a number of companies. These will be multiplied by the intelligent industry of men who are devoting their time to the good of all, and ere long modern coöperation will give us a rate we can explain and the public understand. Then, with a corps of teachers educated in the Agents' Association, we will soon have an enlightened public sentiment that will repeal the laws that now do hamper us.

Many underwriters oppose associated effort of agents and companies; some, no doubt, from conscientious motives, but the antagonism of others brings to mind a story from actual life. In a city in the South lived a colored man whose skill in raising grown chickens from their perch had made him famous. A farmer living near Mose met him one day and the following dialogue occurred: Farmer

—"Mose, I want to make a trade with you; you may have a dozen of the fattest hens I have, and two of the largest hams in my smoke-house, if you will not steal anything from me for a year." Mose scratched his head and was buried in deep meditation for a moment, then replied: "Massa John, I like to 'commode you, but I can do better and so can you."

It is not a hundred years since England, that did and does lead the world in commerce, imprisoned a man and confiscated his property for the grave crime of buying two hundred and fifty bushels of oats and selling them at a profit of six cents per bushel. He was called a forestaller, and it was said he was robbing the farmer of his profit as well as forcing the consumer to pay extortion. Lord Eldon, one of England's greatest jurists, passed sentence on the defendant, and his charge reads to-day like a campaign speech of a Populist candidate. English commerce grew in spite of such laws, and so will insurance in this country, though we have some equally unjust and vicious statutes.

The star of hope in the insurance firmament is now obscured by the clouds of losses and expenses, but these will soon be dispelled by the steady breezes of united effort and a better understanding between associated companies and organized agents, and for this your petitioner will ever pray.

(Applause.)

The President—

Mr. Hubble's paper is now open to discussion. We would be glad, indeed, if the members would participate in a discussion of this paper. Perhaps you think they are all so good they need no discussion; but there might be those who do not agree with Mr. Hubble on the points raised by him, and we would be glad to have a free discussion as we did in olden times, of all the papers.

The Secretary—

I will take this opportunity to announce that the members elected Directors will meet in the adjoining room immediately after adjournment this afternoon. The new Directors may not appreciate the fact that this is an important meeting and one they must attend.

The President—

The Committee on the President's Address. Is it ready to report?

A Member of the Committee—

The Committee asks that the Secretary read the report.

REPORT OF COMMITTEE ON PRESIDENT'S
ADDRESS.

The Secretary—

CHICAGO, September 27, 1900.

MR. PRESIDENT AND GENTLEMEN OF THE ASSOCIATION:

Your committee, appointed to report on the President's Address, begs leave to submit the following:

We wish to congratulate our President on the able and concise nature of this, his official communication.

We heartily agree with him in his recommendation as to the appointment of a permanent Library Committee. The Association has made a good beginning in this direction. However, the great proportion of the books now in the Association Library are donations from members and friends. Very little money has been spent on the collection. The Association now has ample funds on hand to procure such publications as we need, thereby enhancing the value of our present collection, bringing it up to a high standard, and making it of invaluable assistance to every member of this Association.

Our recommendation is, that a strong committee be appointed, with all necessary power to take such action as will carry out the President's recommendation in this respect.

This Association stands pre-eminent in all other particulars, and the library should be brought up to the same basis. It is our only material asset, and it should be made a good one.

Respectfully submitted,

HOWARD DE MOTT,
W. O. CHAMBERLIN,
H. H. FRIEDLY,
FRANK A. VERNOR,

Committee.

The President—

Gentlemen, you have heard the report of the Committee. What is your pleasure?

Mr. Hayes—

I move its adoption.

Motion seconded and carried unanimously.

The President—

The last paper on the program treats on the subject of "The Consequential Damage Problem—A Practical Solution." The gentleman who will address us on this topic is one we all recognize as a man of marked ability in the lines of the work in the Loss department in which the Consequential clause naturally takes part. Mr. H. H. Friedly will now address us.

THE CONSEQUENTIAL DAMAGE PROBLEM—A PRACTICAL SOLUTION.

Mr. Friedly—

MR. PRESIDENT AND GENTLEMEN OF THE FIRE UNDERWRITERS' ASSOCIATION OF THE NORTHWEST:

The New York Standard policy "insures against all direct loss or damage by fire, except as hereinafter provided." You will note that this is a positive proposition followed immediately by an exception. A number of these exceptions follow, among which "that the company shall not be liable for loss occasioned by the interruption of business, manufacturing process or otherwise, beyond the actual value destroyed by fire." It would appear at first glance that this provision, without question or equivocation, limited the loss to the actual value destroyed, and that it excluded every form of consequential damage, however caused, and limited the company's liability to the property value destroyed by the fire. But we know too well, by daily practice, that no such narrow confines are thrown around the contract. Damages by water, falling buildings, freezing after removal, etc., are very properly and without question paid for. If the company, of its own motion, is to step beyond the limit of liability implied by a reasonable construction of the clear conditions of the policy, who is to fix the limit? Any answer to this question involves a reckoning with the man who pays the premium and with the means that he has at his command for the enforcement of his views. He is one of the high contracting parties and, aided by the cupidity of State Legislatures and prejudice of courts and juries, is more often the better half.

Broadly stated, he buys a contract popularly supposed to indemnify him against all loss by fire. This contract is prepared by the company and sold to the public, and while the courts hold that the company has a right to exempt itself from liability under certain conditions, yet everything possible is construed against the company, and the assured comes near getting paid for all loss incident to the fire, unless unequivocally excepted under the policy. As stated before, we are met at the very threshold of the policy contract with exceptions, and it therefore stands the company in hand to strengthen the policy contract in such a way as to bring every exception relied upon without the pale of uncertainty. With this thought in view, it would appear that the addition of the Consequential Damage clause, recently prepared and approved by a large representative body of underwriters, would seem to be entirely proper and legitimate, and while it may not be in the best form, it is certainly in the right direction. Experience shows that the destruction of a refrigerating plant brings a comparatively new element of loss to the insurance companies, that the courts have held and declared, in analogous cases, to be a direct loss by fire, and while there is no decision of a

court of last resort (so far as I can ascertain), directly on this condition of the New York Standard policy, any number of decisions could be given leaning toward this doctrine. If this be true, and there be breakers ahead, why not strengthen the policy contract by making the exception so plain that the proverbial wayfaring man may see, and then charge an additional rate for the new hazard.

The point raised that, by making this exception clear, other consequential losses are, by inference, admitted, is not well taken. New conditions and new hazards are constantly arising, and the underwriter must meet them. No Legislature enacting as a law a Standard Form of policy, or insurance expert, however wise, can foresee or forestall these conditions. As an illustration: A few years ago electric light and power was discovered. It was found that there was danger from electric currents burning out the dynamos and forthwith this rider was added, "This insurance does not cover any loss or damage to dynamos, exciters, lamps, switches, or motors caused by the electric current, whether artificial or natural." This was a new hazard never contemplated by the insurer, and in order that there might be no question all liability therefor is definitely and explicitly excluded.

Again, some years ago claim was made against the insurance companies for "consequential loss" to cattle fed at distillery, caused by the burning of the plant that furnished the slops for feed. These cattle were not burned or in any way directly damaged by the fire, but were accustomed to this delectable diet and could eat nothing else, and would, therefore, lose flesh, thereby causing a loss to the assured. No such indemnity was ever thought of by the insurer, but the companies, seeing the danger of such claims, added the following conditions to all policies covering cattle in pens, "It is hereby mutually agreed and understood, that no claim shall be made under this policy for any consequential damage arising from loss of feed, or from exposure, or from any loss not the direct result of fire or exposure thereto, to said live stock, while contained in the premises above described." Is it reasonable to infer that by the addition of this clause to the cattle-policy the company admits liability for consequential damages, however remote or near? I think not. It refers to this particular hazard, and certainly leaves the original policy conditions and exceptions stand as strong as they ever were—not even affecting other damages that might befall the cattle themselves, much less extend the policy to cover other remote and consequential damages that might accrue to other parts of the plant if insured under separate items or blanket form in same policy.

The Consequential Damage clause under discussion is as follows: "It is a condition of this insurance, hereby agreed to by the assured, that this company shall not be liable for damage caused by change of temperature resulting from the total or partial destruction of the refrigerating or cooling apparatus, connections or supply pipes, nor

by the interruption of refrigerating or cooling processes from any cause." This is a clear and definite exception, and shows that no such hazard is intended to be insured against. What harm can come to either insurer or insured in having it definitely understood? Even if the Legislature builded better than it knew and the present statutory form, "that the company shall not be liable for loss occasioned by the interruption of business, manufacturing process or otherwise, beyond the actual value destroyed by fire," should be held by the courts sufficient to exclude the consequential damages feared (such as allowed in the Dold case), I can see no special harm in such an indorsement. In its practical workings it should be made a source of income because:

First—The danger to the stock by destruction of the refrigerating plant is certainly present.

Second—The assured will need and demand protection and indemnity, and should be willing to pay for it.

Third—If the present form of policy does not exclude such consequential damages it should be done by indorsement, as proposed.

Fourth—This much understood, whatever additional liability for consequential damages is assumed should be made the subject of a proper additional premium, based upon the hazard incident to the destruction of the refrigerating machinery.

These packing-plant warehouses have not been profitable to the companies at best, and it occurs to me that application of this principle can be made the means of getting an insurance rate. The same rule will apply to cold storage of all kinds, breweries, etc., where artificial refrigeration is used.

While I am not connected with the rate-making branch of the business, yet it occurs to me that a common sense view is, that if the stock in warehouses can be destroyed in value or seriously damaged by the destruction of the refrigerating plant, then the fire-rate on the refrigerating plant should be added to the stock-rate and the liability for consequential damages directly and explicitly assumed. If the refrigeration is produced by separate plants, either of sufficient capacity to cover all requirements for preserving the stock, the rate should be proportionately reduced. I cannot believe that the plan proposed by some companies, of relieving the assured from the additional rate and writing policies without the exemption clause added, provided the assured will maintain at least two separate and complete plants for furnishing refrigeration, is practical. It occurs to me that there is a strange inconsistency in these two provisos. The basic principle of this whole contention is that there exists a hazard from consequential damage, and that the companies are recognizing it and are endeavoring to collect a compensating rate. Most certainly, it should not be assumed under any circumstances without proper compensation. If this clause is used the companies put themselves in the remarkable position of admitting that there is a

hazard of this character and assume it without any compensation, provided the assured will operate two independent refrigerating plants. Does the establishment of these two plants do away with danger, from claims for consequential damages resulting from the destruction of one or both of these plants? To be sure, the conditions provide that each of them must be of sufficient capacity to answer all demands should one refrigerating plant be damaged or destroyed. Suppose they are both burned in the same fire, or one burned one day and the other the day following; the companies must pay the loss upon a hazard for which no premium has ever been paid. It must be admitted that the chances of saving the property is greater and the danger of loss is less by having two plants, but if both plants be of equal capacity and equally exempt from inherent fire hazard, there exists but one-half the hazard and the rate should be made accordingly. Again, I apprehend that it will soon be found that the assured will not maintain double the capacity of refrigeration above ordinary use for the sole purpose of having one plant ready should the other be destroyed. While the proviso does not so state it, yet this is a reasonable inference. These plants are expensive of construction and maintenance, and it is altogether probable that the assured will not go much beyond the capacity sufficient for ordinary use, and however much may be promised before the fire it will be found afterwards that the destruction of one plant may bring with it a claim for consequential loss. As the proviso is for the waiver of the exemption clause, this would put the companies in exactly the same position that they found themselves at the time the Dold claim was presented. If the exemption clause is to be waived on these conditions, what is to take its place? The answer is, two refrigerating plants instead of one, and a strongly implied assumption of the liability for consequential damages, with no compensating rate.

I see that it is proposed to the rate on stock in building covered shall be added 50 per cent. of the rate on the equipment of the building, or buildings containing the apparatus for the refrigeration. If the destruction of this refrigerating plant endangers this stock in consequence, why should not the whole rate be added? I apprehend that it will take the companies many, many years to accumulate from this source an amount equal to that paid in the one loss herein referred to. In such cases, if the assured provides separate refrigerating plants, each of sufficient capacity, this fact should be taken as a protective measure guarding against the consequences of the destruction of either, and the rate reduced accordingly, on the principle of any other adequate fire protection.

These refrigerating processes have come to stay, and all conditions and hazards incident thereto must be recognized by the underwriter. My contention is, that the companies should at once prepare either a special policy or an indorsement providing for the assumption

of liability for damages to the stock indicated in the exemption clause, and charge a good, round sufficient rate for it. My preference would be for putting an exemption clause on the one policy and then writing a separate policy and definitely and explicitly assuming liability for loss to stock by destruction of refrigerating plant. If the assured does not wish to pay this additional proper rate, then insist upon the exemption condition being added to the policy contract, thereby definitely and distinctly fixing the hazard insured against.

As to whether this exemption clause can be legally attached to the policy is a question of serious concern in but a few States, and even in those it could be made the means for the collection of additional premium needed by the company and of setting before the assured a definite and explicit contract, to which he could not reasonably object. It may be argued that such a clause is not necessary—that the Standard Form is said to already exclude every form of consequential damage. I shall not discuss this question further than to note the fact that large sums of money have been paid out under the assumption that the companies were liable for these consequential losses. Whether they were legally liable or not, is a question upon which eminent attorneys stand, and upon which different courts would probably stand, if opportunity presented itself, at right angles in their views.

With these facts staring us in the face, and, with millions at risk upon such plants, I believe it not only to be common sense to set before the insuring public a contract modified and made plain, harmonizing with the new conditions arising, but also as successful, progressive business men, to seize the opportunity to make a profit out of a business that has heretofore been written at a loss.

(Applause.)

The President—

Gentlemen, you will please come to order. Now, we would be very glad to have a discussion of this paper of Mr. Friedly's, which is a most excellent one. We have asked you to discuss all of these papers, and there must be some who would like to talk on this one.

(No response.)

If there is to be no discussion, any new business any member has to offer will now be in order.

Mr. Cyrus Woodbury—

I would like to present the following resolution:

Resolved, That the Library Committee to be appointed, as suggested by Committee on President's Address, be and hereby is authorized to spend such an amount as in their judgment seems necessary in improving the Library, not exceeding one thousand dollars (\$1,000) during the coming year.

Mr. W. J. Littlejohn—

I second the motion.

The President—

Gentlemen, you have heard the motion made by Mr. Woodbury. What is your pleasure? Any remarks?

Motion put by the Chair, and carried unanimously.

The President—

I would like to say to the members present that the meeting will be called to order this afternoon at 2:30 o'clock. The Committees appointed to prepare resolutions on deceased members will report on the floor this afternoon immediately preceding the election of officers.

Motion was here made to adjourn.

Mr. Andrews—

Just a moment, gentlemen. Mr. Fox has a few remarks he wishes to make.

(President calls meeting to order.)

REMARKS BY MR. W. F. FOX.

Mr. Fox—

MR. PRESIDENT: Through the courtesy of your Secretary and of one of your members I received, last evening, at my residence, this note advising me of the generous action taken by the Association with reference to me, and giving expression to such kindly remembrance and fraternal feeling as touched me in a tender spot, and I feel that in justice to myself, and out of respect for you, that I cannot do less than to appear before you, and acknowledge your gracious act of remembrance, which I assure you I fully appreciate, and for which I tender my most grateful thanks.

For a few years past, owing to a variety of reasons, I have not been in active touch with the Association, though always interested in its membership and proceedings, and have remained a member in spirit, if not present to participate in your "good things." And I am deeply sensible of the honor conferred upon me by placing my name in the list of honorary members, where my relation to the Association will hereafter be recognized, and with which recognition I shall be privileged to attend your meetings and enjoy your fellowship.

When I look back over the thirty years of the life of this Association and see its marvelous growth from fifteen original members to a fruitage of about six hundred, I cannot but feel a sense of pride in the record this Association has made.

Its platform was, and is, the promotion of correct practice among

its members and the cultivation of good fellowship. On this basis it has grown and prospered. It is older as an organization than the Union, and older than State Boards, and its good work and influence have been felt in these two principal organizations in our business. But it is in its social and educational character that this Association has secured its highest degree of prominence and usefulness. It has proved to be a *school* for social amenities and a *college* for educational advancement for its members.

Its contributions to insurance literature, and on kindred subjects, are a permanent testimonial to its high standing as one of the active and potent factors in the advanced and changing conditions of underwriting.

There are but few left, to answer to roll-call, of the old guard, and many of the later members have gone to sleep. There are but few familiar faces left of the old social circle. New faces are seen, and new guides are at the helm. The old members are giving way to the new ones. The panorama of life is passing with its activities; even the younger members of the Association are showing silver threads among the gold, while some are cultivating inviting fields for the sportive fly and the busy mosquito. But, seriously, these young men, in turn, must soon give way to others, and so the life of this Association will pass. Each class, in its turn, and each individual in its class, should labor for the best results possible for the Association, and thereby secure the best possible results individually.

The future of the Association is with you, and whether it shall maintain its high record and further increase its usefulness, or whether it shall fade away and be lost as an agency in fire underwriting, is for you to say.

Again, I thank you.

Whereupon the meeting stood adjourned to 2:30 o'clock P. M.

AFTERNOON SESSION.

THURSDAY, September 27, 1900.

The Association reconvened at 2:30 o'clock P. M.

The President—

The first business this afternoon will be the reports of the various committees on our deceased members.

The Secretary—

Mr. President, the chairmen of the various committees on the death of Messrs. Croke, Strickler, Harbeck, Lyon and Eaton, have

turned their papers over to me, with the request that I read them. I notice that Mr. De Forest, chairman of the Committee on Mr. Strickler, is here, and I would prefer to have him read that.

The President—

Will Mr. De Forest present the resolution on the death of Mr. Strickler?

REPORT OF COMMITTEE UPON THE DEATH OF MR. DAVID STRICKLER.

Mr. De Forest—

MR. PRESIDENT AND GENTLEMEN OF THE ASSOCIATION:

In the death of Mr. David Strickler this Association is called upon to mourn the passing beyond of an old, though not an active member.

Mr. Strickler was born in Hellam Township, York County, Pa., November 19, 1823, and died at his home in York, Pa., July 21, 1900. He was educated in the country schools, working on a farm in the meantime. For some years he taught school, and while teaching learned the art of surveying. In 1850 he moved to York, Pa., and opened an office as surveyor and insurance agent, keeping his office open during the summer and teaching a country school in the winter. In 1853 he organized the Farmers' Fire Insurance Company of York, and was its secretary continuously till his death.

Mr. Strickler was a striking example of a self-made business man. His sterling integrity, uncompromising honesty, and simplicity, won for him an extensive circle of friends, and inspired the confidence of all who came in contact with him. As an underwriter he was of the old school, and his career as such covered a full half century. His work is done; in the fullness thereof he has passed beyond.

E. F. DEFOREST,
JOEL W. HUBBLE,
D. A. RUDY,

Committee.

The President—

Gentlemen, you have heard the report of the Committee on the Death of Mr. David Strickler. What is your pleasure? It is usual to move its adoption by a rising vote.

Mr. R. B. Carson—

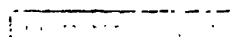
I move its adoption by a rising vote.

Motion put by the Chair, and carried unanimously.

Mr. R. B. Carson—

I move that the Association decide upon a method of informing the family of Mr. Strickler of the fact that a resolution was passed on his death here to-day, and that a copy of same be sent them.

Motion seconded and carried.





DAVID STRICKLER,
SECRETARY FARMERS FIRE INS. CO. OF YORK, PA.

In Memoriam.

1900.

David Strickler.

YORK, PA.

Secretary, &c.

of the

1900.



U. S. DEPT. OF AGRICULTURE

WASHINGTON, D. C.

In Memoriam.

1900.

David Strickler,

YORK, PA.

**Secretary Farmers' Fire Ins. Co.,
of York, Pa.**

Died July 21, 1900.

AGED 77 YEARS.

The President—

The Secretary will now read the report of the Committee on the Death of Mr. Eugene Harbeck.

REPORT OF COMMITTEE UPON THE DEATH OF MR. EUGENE HARBECK.

The Secretary—

MR. PRESIDENT AND GENTLEMEN OF THE ASSOCIATION:

Mr. Eugene Harbeck, who departed this life on the 29th day of April, 1900, at his late residence in Chicago, Ill., after an illness of more than a year, was born in Batavia, N. Y., in 1853, and early in his life his family moved to Battle Creek, Michigan. At the age of seventeen he entered the insurance business in a local office at Battle Creek; later on he established a fire insurance agency there, in 1881 was appointed Special Agent of the Detroit Fire and Marine Insurance Company, and in 1883 was appointed State Agent of the Phenix Insurance Company of New York for the State of Michigan, retaining that position until 1887, when he resigned to accept the secretaryship of the Michigan Fire and Marine Insurance Company, which he held until 1892, when he was appointed General Agent of the Western Department of the Phenix Insurance Company of New York, which position he held with honor until the end came.

In 1888 he was elected a member of the Fire Underwriters' Association of the Northwest, and in 1891 read a very strong and interesting paper to the Association on "Net Results," which brought him at once into prominence as a sound thinker and teacher. In 1893 he was elected President of this Association. He also held the honorable position of President of the Western Union.

The foregoing is the material chronology of our departed friend who, by force of merit, lofty ideals, honorable principles and great integrity, won at the same time the highest admiration as well as the deepest affection of his fellow men. His conception of the goal was the target of the righteous, and with faithful marksmanship he struck the eye with every shot.

"Scarce had the sun dried up the dewy morn,
Bereft of life, he left us all to mourn!"

In his very prime, in the very midst of his work, he was called by that grim reaper who, measuring life by the law of average, mows down the wheat with the chaff. Those who knew him best loved him best for those sterling virtues with which the souls of all true men are enshrined. No monument of bronze or chiseled stone is needed to recall to memory his past existence; for Memory is a monument green with the verdure of love which no mortal hand can mould. Time cannot fade nor tide extinguish the loving light which burns with love

for him within the sanctified precincts of the hearts of his friends who knew him but to love him.

The future cannot be enlivened with his deeds, but it can be enlightened by the memory of his past, which leads the way to honor's creed, and lights with hope the darkened hour. The tribute of our tears is for the moment. The tribute of our love is for all time!

EUGENE CARY,
GEO. W. LAW,
H. C. EDDY,
J. H. LENEHAN,
I. J. LEWIS,

Committee.

The President—

Gentlemen, you have heard the report of the Committee on the Death of Mr. Eugene Harbeck. What is your pleasure?

Mr. J. C. Ingram—

I move its adoption by a rising vote.

Motion seconded and carried unanimously.

1777



EUGENE HARBECK,
GENERAL AGENT WESTERN DEPT. PHENIX INS. CO. OF N. Y.

THE MEMORIAL

1000.

General Sherman

General Sherman
Brevet Major General

Died April 29, 1900.

AGED 47 YEARS



WATBECK,

100 N. 1st St., Co. of N. Y.

In Memoriam.

1900.

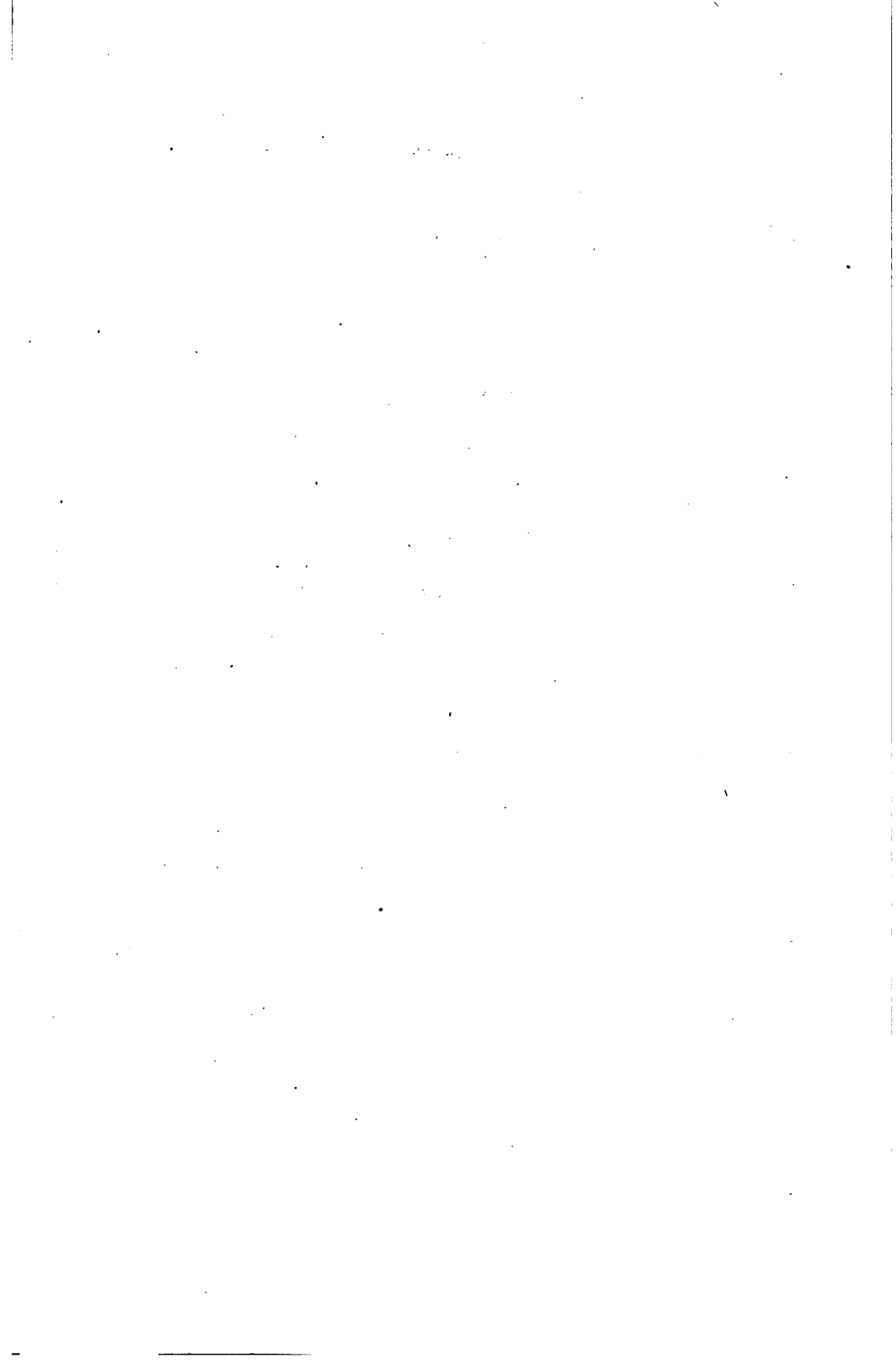
Eugene Harbeck

CHICAGO, ILL.

General Agent Western Department
Phoenix Ins. Co., N. Y.

Died April 29, 1900.

AGED 47 YEARS.



The President—

The Secretary will now read the report of the Committee on Resolutions on the Death of Mr. Samuel S. Eaton.

REPORT OF COMMITTEE UPON THE DEATH OF MR. SAMUEL S. EATON.

The Secretary—

MR. PRESIDENT AND GENTLEMEN OF THE ASSOCIATION:

Samuel S. Eaton, born in Vermont in the year 1825, died at St. Paul, Minn., December 5, 1899.

He was one of the Association's oldest members as well as a veteran in the insurance business, having taken up the calling in the year 1855, serving the St. Paul Fire and Marine Insurance Company a number of years as secretary, also as General Agent for the Manhattan Fire Insurance Company of New York for ten years, at the same time keeping up his large Local Agency business.

He was a man of great energy and good business ability, hence his success in the business. He was loyal to his friends, and was loved by all, both young and old, with whom he came in contact.

The Agency Companies have lost one of their best friends, and this Association one of whom it may well be proud to have had as a member for so many years.

C. B. GILBERT,
R. J. SMITH,
H. C. ALVERSON,

Committee.

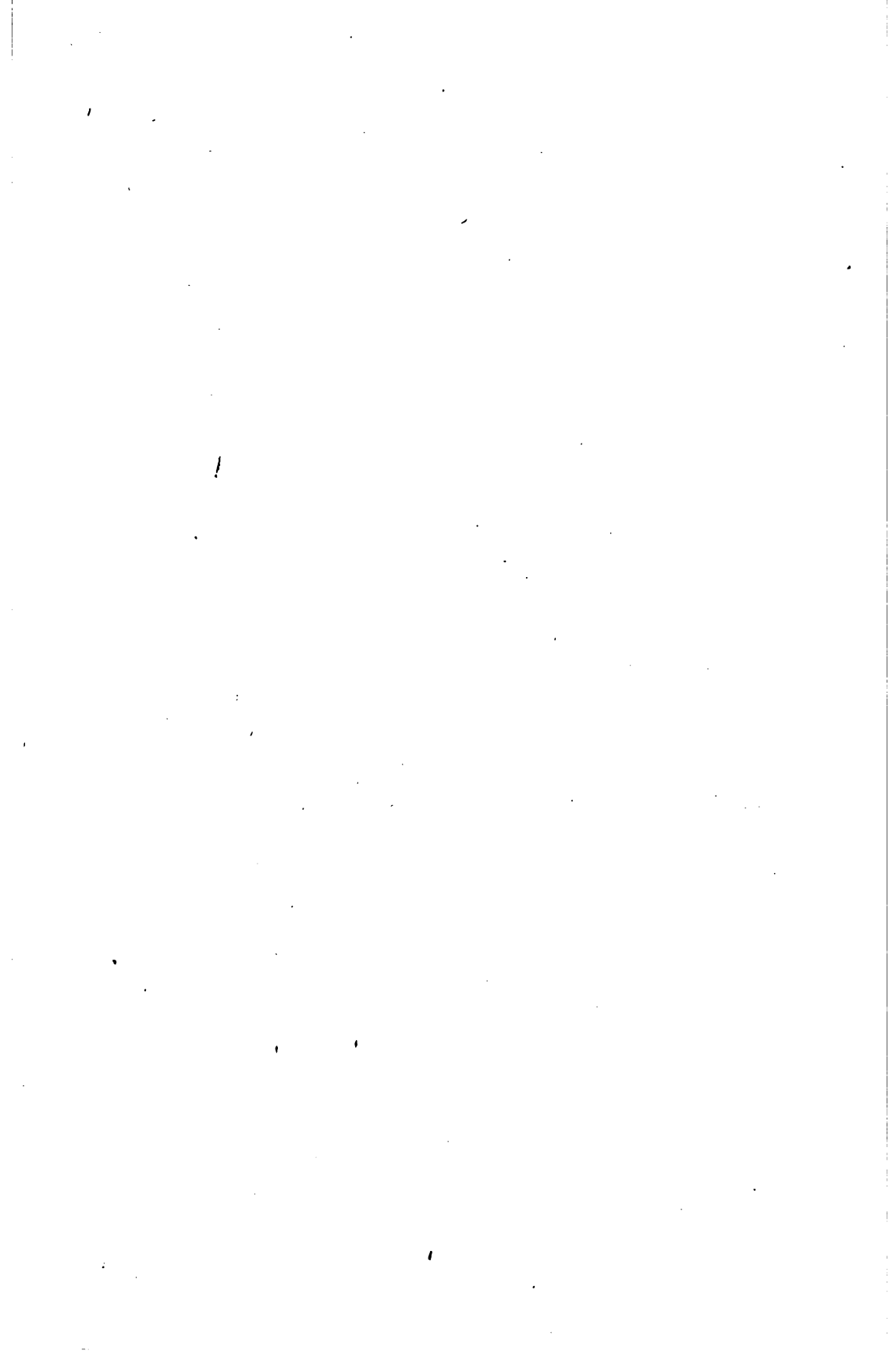
The President—

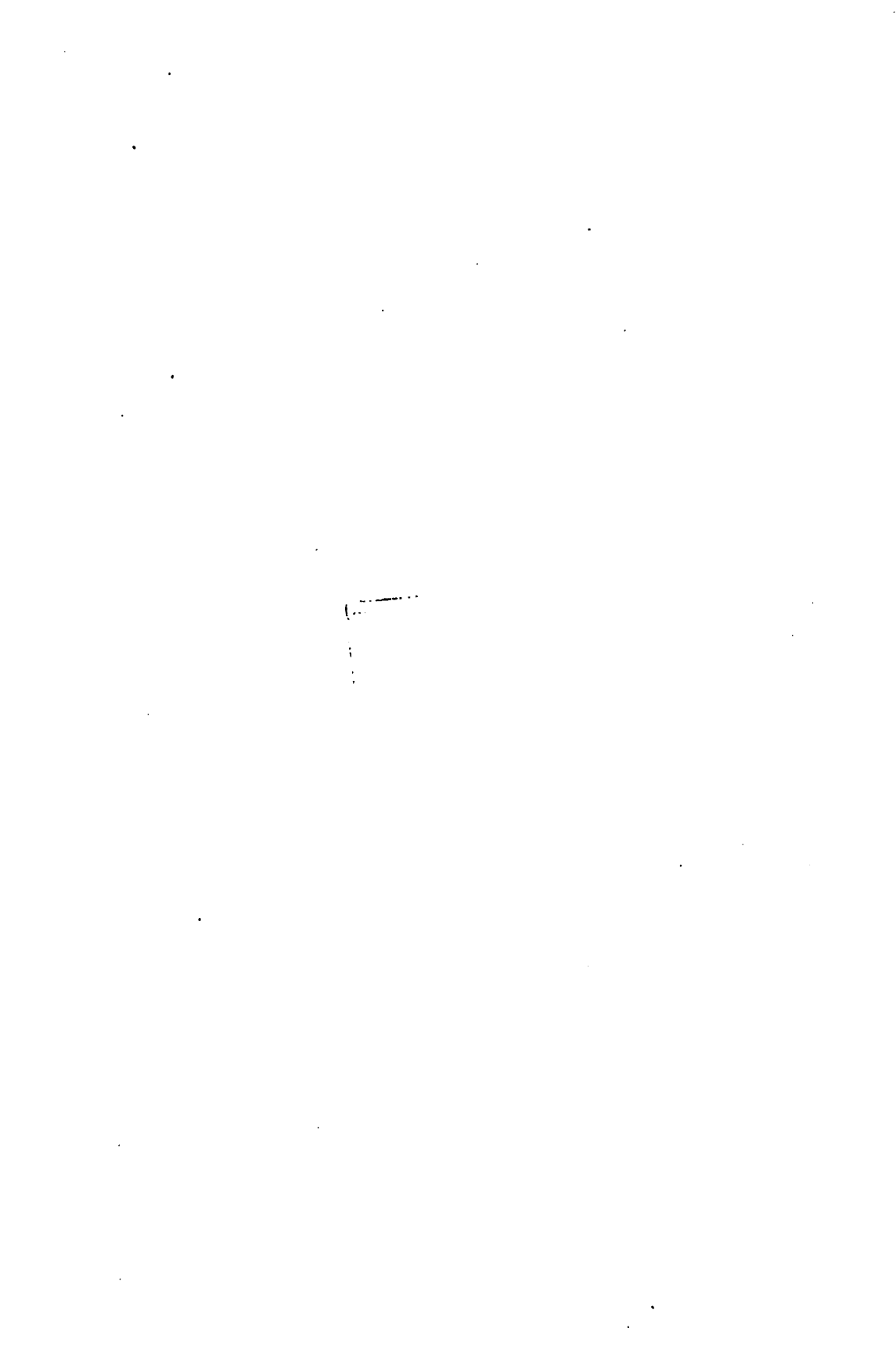
You have heard the report on the death of Mr. Eaton. What will you do with it?

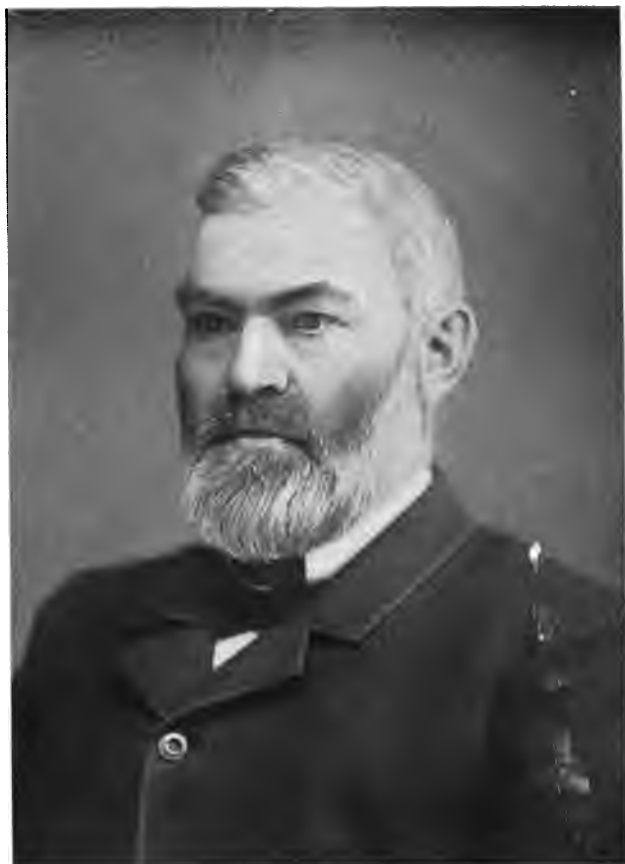
Mr. De Forest—

I move its adoption by a rising vote.

Motion seconded and carried unanimously.







SAMUEL S. EATON,
LOCAL AGENT, ST. PAUL, MINN.

THE

Samuel L. Carter

ST. PAUL, MINN.

1880

Died December 1880

W. J. PATTON
JACKSON, MISS.

In Memoriam.

1900.

Samuel S. Eaton,

ST. PAUL, MINN.

Local Agent.

Died December 5, 1899.

AGED 74 YEARS.

The President—

The Secretary will now read the report of the Committee on the Death of Mr. George Crooke.

REPORT OF COMMITTEE UPON THE DEATH OF MR. GEORGE CROOKE.

The Secretary—

MR. PRESIDENT AND GENTLEMEN OF THE ASSOCIATION:

Born at Burrough-Bridge, England, November 27, 1828.

Died at Evanston, Illinois, October 17, 1899.

Educated at his early home, under the tutelage of his father and Mr. John Moss, the author.

Removed to the United States in 1849, locating in Illinois; afterwards removing to Iowa where, in 1862, he enlisted in the Twenty-first Iowa Infantry, being, during service, promoted to the office of First Lieutenant and Adjutant of his regiment, the history of which he wrote in later years.

After the close of the war Mr. Crooke returned to his former home at McGregor, Iowa, where he engaged in the fire insurance business, acting for a time as Special Agent of the Hartford Fire Insurance Co., later as Special Agent and Adjuster of the Chicago Branch of the Liverpool & London & Globe Insurance Co., finally becoming an Associate Manager of the Western Department in Chicago of the latter company, from which position he resigned December 31, 1892. On January 1, 1894, he accepted the position of Manager of the Western Adjustment and Inspection Co., which position he held continuously and satisfactorily up to the time of his death.

Mr. Crooke's acquaintances were his friends. To those of us in this Association who were thrown in contact with him, either in business or in private life, he was a valuable adviser, genial, sociable, of noble character and sterling integrity. He was always the friend of the young man, as many of our members can personally attest. Careful and conservative, his opinions upon important matters were always sought; as an underwriter he had few superiors.

Mr. Crooke was a kind husband and loving father, faithful, honest and true. He was devoted to the work entrusted to his care and died in the harness. He has taken his last journey; his life work is ended. He set a high example for all of us to follow, and may we ever cherish his memory.

M. S. WOODWARD,
GEORGE H. MOORE,
GEORGE M. LYON,
D. S. WAGNER,

Committee.

The President—

Gentlemen, you have heard the report of the Committee on the Death of George Crooke. What is your pleasure?

Mr. H. H. Friedly—

I move its adoption by a rising vote.

Motion seconded and carried unanimously.

100



GEORGE CROOKE,
MANAGER WESTERN ADJUSTMENT AND INSPECTION CO.

The Mother

and

the

George C. ...

EVANSTON

Published by the ...

... Co.

and October 17, 1904

AGED 71 YEARS



CROOKER,
MENT AND INSPECTION CO.

In Memoriam.

1900.

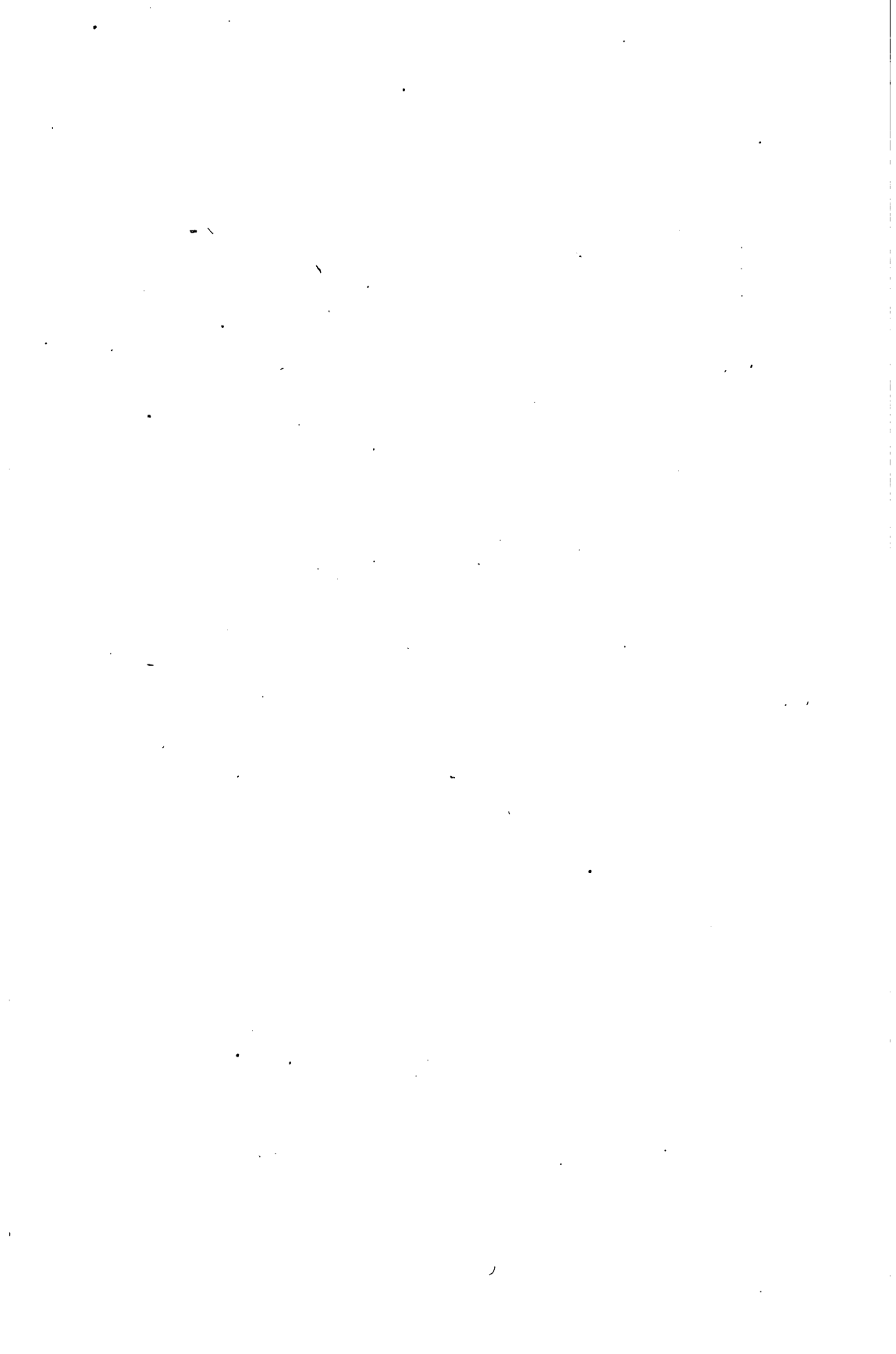
George Crooke,

EVANSTON, ILL.

**Manager Western Adjustment and
Inspection Co.**

Died October 17, 1899.

AGED 71 YEARS.



The President—

The Secretary will now read the report of the Committee on the Death of William A. Lyon.

REPORT OF COMMITTEE UPON THE DEATH OF MR. WILLIAM A. LYON.

The Secretary—

MR. PRESIDENT AND GENTLEMEN OF THE ASSOCIATION:

Within the past year this Association has lost by death one of its oldest members, in the passing away of William A. Lyon, Special Agent of the National Fire Insurance Company.

In his death the Association has lost a loyal, faithful member, and his associates a loving friend and companion, and his company a faithful servant.

Those of us who knew him best by virtue of the association of field life, testify to his sterling worth as a man and brother.

William A. Lyon was a Scotchman by birth, born in 1840, coming to this country in childhood. He was reared near Madison, Indiana. The land of his choice was dear to him. In 1861 he enlisted in the Federal Army and was promoted to a First lieutenancy. Severely wounded at the battle of Chickamauga, he bore the pains and scar throughout his life, yet such was the innate modesty of the man that few knew of his soldier's experience, or that he had suffered hardship in his country's cause.

In his business life he was an honest competitor, faithful and energetic in his company's service, and loyal to his friends.

His heart was too gentle to conceive bitter things, and his tongue gave no utterance of malice against his fellow man.

The world is the better for his having lived in it. Peace to his ashes.

FRANK RITCHIE,

W. L. KING,

JOHN C. INGRAM,

Committee.

The President—

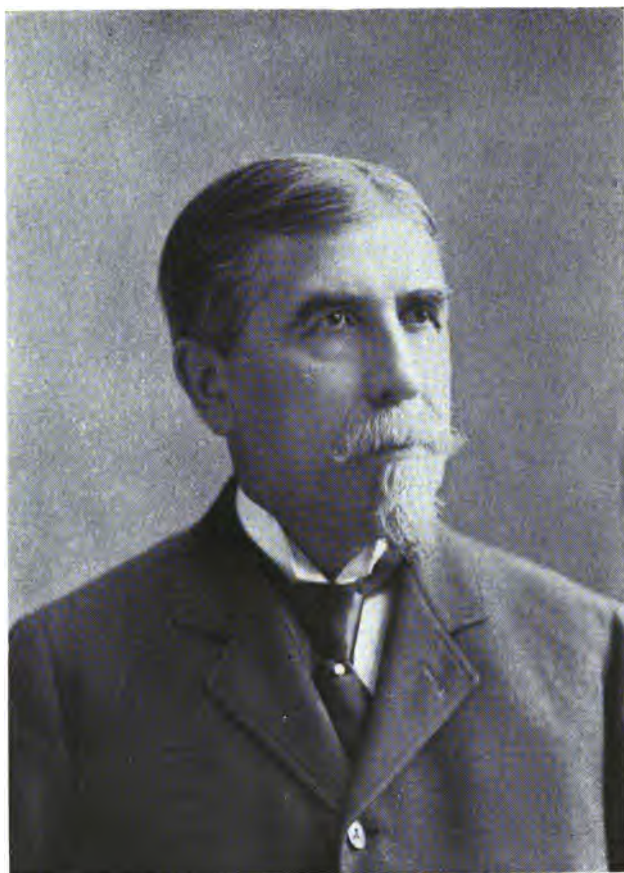
Gentlemen, you have heard the report of the Committee on the Death of Mr. Lyon. What will you do with it?

J. Irving Riddle—

I move its adoption by a rising vote.

Motion seconded and carried unanimously.

11



WILLIAM A. LYON,
SPECIAL AGENT NATIONAL FIRE INS. CO., OF HARTFORD.

WILLIAM

1856

1856

AGED 61 YEARS



MR. AMOS A. LYON,
Genl. Agt. Fire Ins. Co. of Hartford.

In Memoriam.

1900.

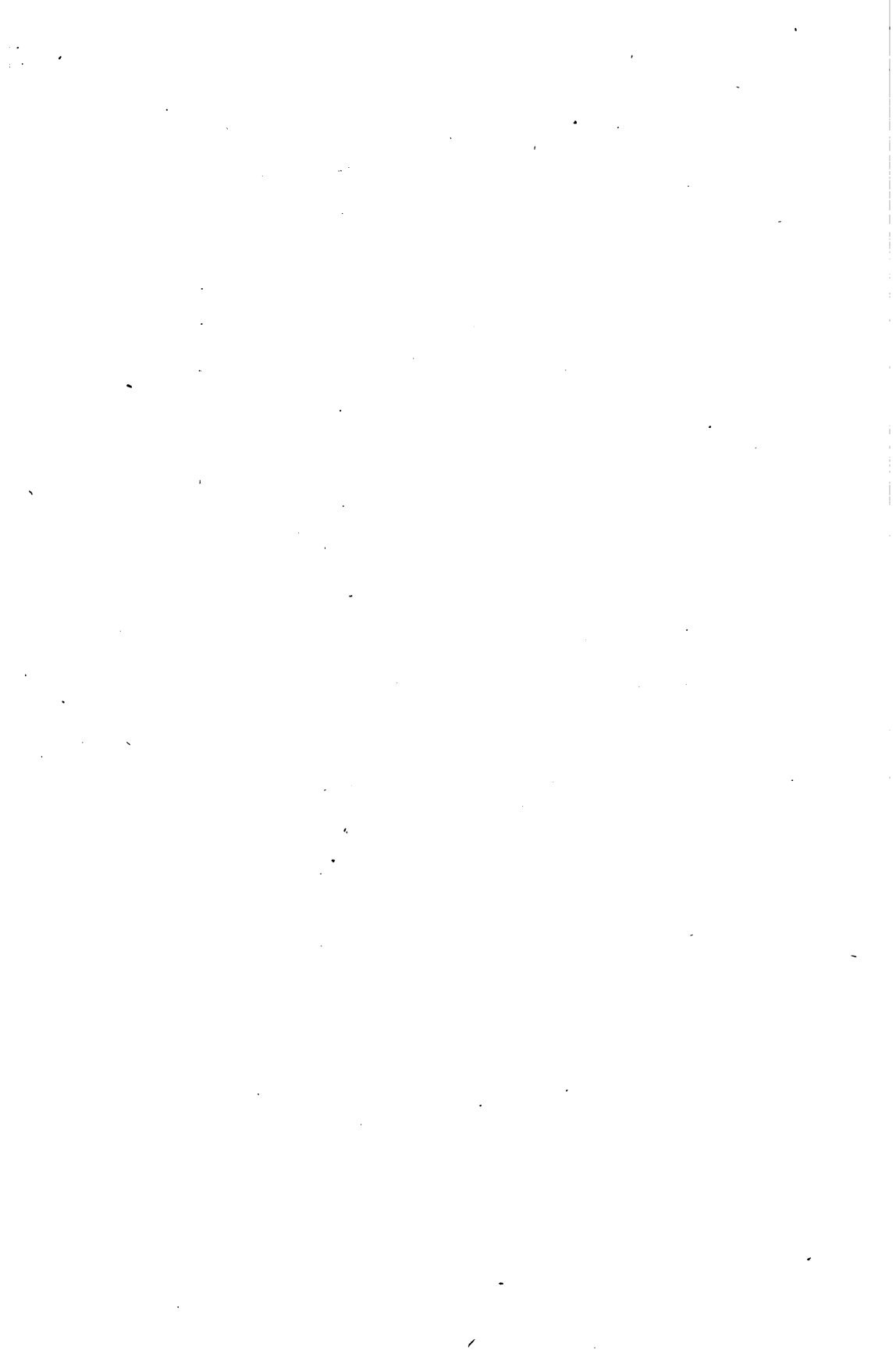
William A. Lyon,

MADISON, IND.

**Special Agent of the National Fire Ins. Co.,
of Hartford.**

Died June 3, 1900.

AGED 60 YEARS.



The President—

It is now in order for any member to present any motion, or discuss any new business that they may wish brought before the Association, before proceeding to the election of officers.

Recess of five minutes before the election of officers.

ELECTION OF OFFICERS.

The President—

Gentlemen, the next order of business is the election of officers. There are to be elected a President, Vice-President, Secretary, and Treasurer, and from the following names:

- | | |
|----------------------------------|--------------------------------------|
| P. D. MCGREGOR, Chicago, Ill. | GEO. W. HAYES, Milwaukee, Wis. |
| JOHN MARSHALL JR., Chicago, Ill. | H. N. WOOD, Omaha, Neb. |
| R. D. HARVEY, Chicago, Ill. | C. C. MARTIN, Kansas City, Mo. |
| S. D. ANDRUS, Chicago, Ill. | J. IRVING RIDDLE, Terre Haute, Ind. |
| R. H. HUNTER, Chicago, Ill. | GEO. P. McMAHON, Detroit, Mich. |
| D. S. WAGNER, Chicago, Ill. | WALTER H. COBBAN, Minneapolis, Minn. |

What is your pleasure, gentlemen?

Mr. Littlejohn—

I take great pleasure in rising to place in nomination the name of a gentleman who, I have no hesitancy in saying, will prove to be one of the best presiding officers, if he receives the ballots necessary to be elected, of any officer this Association has ever had. This gentleman, though a comparatively young man, is old in experience—a man who has been intimately associated in years past with myself. He needs no eulogy from me, nor any one of this Association; he is well known—everybody knows him, and those who know him love him.

He has made his way up from roustabout on the ship to its chief commander, you might say—from a supply clerk, entry clerk, registry clerk, examiner, Special Agent, Assistant Manager, and now he is Manager of a very important company, and I think in all his transition from the lowest up to the highest office in the gift of his profession in the West, he is one of those gentlemen whose head has never been turned; he has never been troubled with the disease so common in men who in a few years rise to important positions, the swell-head. He has never had it, and never will have it.

The gentleman I propose to nominate, Mr. President, has not given attention to the conventions of this Association. That he has not, is on account of his duties—he has not been in position to do it. It has been stated by one or two of his friends that on account of his not having the time at his disposal to attend the Association, that he has not taken active interest in it. That I dispute. I do not think there is a man in the Northwest who has given any more

attention to the Association than Mr. McGregor, the gentleman that I want to propose. He has not been in a position heretofore to give it the time, but if he is elected there will be no one who will be more active in the interest of the Association. I take great pleasure in nominating Mr. P. D. McGregor, the Manager of the Western Department of the Queen Insurance Company of America.

Mr. Cate—

MR. PRESIDENT AND GENTLEMEN: It is almost unnecessary for anyone to get up to second the nomination of Mr. P. D. McGregor, but I assure the gentlemen it is with a great deal of feeling, and I know I voice the sentiment of nearly every man in this room when I say that no better President can grace the chair of this Association than Mr. McGregor. Mr. McGregor is a Scotchman, and so am I, and that's the reason McGregor is a good man. Whenever you seat a Scotchman in the chair, you can bet your bottom dollar—and two of them—that he will conduct the proceedings as they should be conducted, and he will make you mind.

Now, I have not much more to say, except "Rob Roy an' McGregor, O." Now it's P. D. McGregor O, and everyone shout "O."

The President—

Mr. P. D. McGregor is nominated. Are there any other nominations?

Mr. Geo. Adams—

I have a man I want to suggest. He is a pretty good man, and I think you will all think so when I name the man. He has been identified with this Association from the time it was first organized. In 1872 he became a member, and he has been a member ever since. He has supplied the place of President, acted as Secretary for seven years without compensation for the benefit of the Association, and is really entitled to the office, and I should like to see the gentlemen here appreciate that to the extent that they will elect him, and they can do this easily. The Association, when he joined it, had probably not more than thirteen or fourteen members, and has now grown to be quite a concern—one of the leading organizations of this country, whose friend George W. Hayes is, always was, and always will be.

I nominate George W. Hayes for President.

Mr. W. P. Harford—

It has been now almost three decades since this Association was organized in the City of Dayton, Ohio. I believe that there were thirteen of the "Old Guard." We know that they are not all with us today. Some of them have departed this life, gone out—no, I would hardly say that, I would rather say that their lives are going on. We feel the influence of such men as those who composed the "Old Guard." We have one here who, though he may not have been one of

the "Old Guard," he was with the organization the next year. He has attended, I believe, every meeting since. He has served this Association well and faithfully, and in the very course of human events we would scarcely expect that he will be with us many years longer. It will not be many years until we have enrolled him among those who, though they have gone, their lives are going on. I would, therefore, in view of what I feel is due to one whose influence we have felt—who, because of his faithful service is entitled to recognition, second the nomination of George W. Hayes.

There being no further nominations for President for the ensuing year, the President announced that the Association would proceed to ballot for Mr. P. D. McGregor, of Chicago, and Mr. George W. Hayes, of Milwaukee, for that office, and appointed Mr. E. V. Munn and Mr. Stephen E. Cate as tellers.

The President—

We will proceed with whatever business there may be before the Association.

THE SPECIAL ASSESSMENT IN 1897.

Mr. George H. Moore—

MR. PRESIDENT AND GENTLEMEN: In 1896, this Association honored me with the Presidency. At that time, in taking up the affairs of the Association, I found it in a bankrupt condition. It became incumbent upon me, as President, to levy an assessment in order to pay the debts of the Association at that time. This assessment was responded to by about 60 per cent. of the members. I think it amounted to somewhere in the neighborhood of \$1,500, more or less. I always looked upon that assessment as a loan to this Association on the part of the members who paid it, and for this reason I want to offer the following resolution for your consideration:

Resolved, That the Treasurer of this Association be instructed to reimburse such members as paid the assessment in the year 1897.

If I understand it, the Treasurer made a report this year showing a balance of almost \$3,200 in the treasury. After the dues are collected this year, that balance will be increased probably to about \$4,500. Now that we have the money to pay that honest debt, I think that this Association should do it.

The President—

Gentlemen, you have heard the resolution as offered by Mr. Moore. Have you any remarks to make?

• Mr Kelsey—

I am in thorough accord with the resolution offered by Mr. Moore. It is not right that about \$1,500, in round numbers, should be used for the good of the possible 40 per cent. that did not respond to the call. With the principle I am in entire accord, but I want to make a suggestion, and perhaps an amendment, to the resolution itself.

Now, those contributions came in five-dollar lots, and I presume that in the majority of cases they were charged directly to the companies, and voucher for same sent in to the company, or else the receipt they got from the Treasurer was probably sent in to the company as voucher for the charge. The resolution reads that the Treasurer be instructed to return that money to the members that paid it, etc. I want to amend by adding "upon presentation of the receipt furnished them by the Treasurer at that time."

Mr. Moore—

I will accept that amendment.

Mr. Lamey—

I desire to offer a substitute that all the gentlemen who paid the assessment in 1897, have the assessment for the next year remitted.

Mr. Kelsey—

I do not think the members understand. This was not, as I understand it, a gift distribution. Let me say, one company sent in a check for \$60. That was the assessment made upon twelve of their Special Agents. Now, some of those men may have left the employ of the company since that time, and it would not be fair to the company to remit individually. The Northwestern Association might as well keep it as to object to returning it to the company that paid the money.

Secretary Wagner—

MR. PRESIDENT: I think I have a scheme that would be better than all these, and if I could get a second to it I would like to offer it as a substitute. That is, to have each one of those who paid that assessment—I don't know whether the Imperial paid it, or I did; but one or the other of us did; we might have to get a search warrant to find out. I hope I paid it, so this will go all right. I think it would be a more graceful thing for each one who paid it to make a special donation to the library for the purpose of aiding us in getting the legal books with which we expect the new Library Committee to equip our library. And it is not very much for anyone. It has been paid in, and if it has been charged to the companies it has gone through their books, and they would prefer, it seems to me, to make it a donation to our library. I would, therefore, suggest as a substitute for the other motion, that that amount—the special collection—be specially

given to this Library Committee named to-day, to be used in equipping the library with the legal books needed.

M. H. N. Raymond—

I take great pleasure, as one of the members who paid that extra assessment, in seconding Mr. Wagner's amendment. As far as being able to comply with my Brother Kelsey's motion to find the receipt, I could not find it with a search warrant, therefore I would like to have my part apply to this library fund.

The President—

Gentlemen, you have heard Mr. Wagner's substitute, which has been seconded. Are there any further remarks?

Mr. Littlejohn—

Why should 60 per cent. of the members make this contribution? As I understand it, at the time the call was made it was responded to favorably by 50 or 60 per cent. Why should they make this contribution? I am not speaking individually, because I doubt very much whether I can ascertain about the contribution, but there are some members who are rather strenuous on this point, and they have not charged to their companies the amount, and would now like to get a return of it. It is only a comparatively small amount to some of us, and it is a large amount to some of us. I think a solution of the matter might be this: that those who make application to have a return of this money could get it. I for one should not make application. I think a great many would not, but those who do make application could have their money returned. I should like to offer that as a substitute, if it is in order.

Mr. Vernor—

I would like to ask how this resolution would affect that small army who have joined this Association within the last two or three years, and who have heard reports of the financial standing as to no indebtedness? I can appreciate the fact that the members who advanced this money in those bygone days did good work, but I can hardly see that it is quite fair to refund this money under this resolution, for would not more or less of it necessarily come out of the pockets of the members who joined during the last two or three years, who were assured that there were no outstanding debts?

Mr. Moore—

I have a little feeling about this matter, for the reason that at the time this assessment was made we had a great deal of correspondence, and there was a great deal of feeling at that time manifested by different members, and I have always felt it was a debt this Association owed, and I think the suggestion made by Mr. Littlejohn—that those that make application should have that money refunded; those that

do not desire it and do not make application—that is all right, but you must bear in mind that only about 60 per cent. of the members paid the bill, the other 40 per cent. did not respond. That is the reason I offer this resolution.

Mr. Lovejoy—

I would like to say a word on Mr. Littlejohn's resolution. It seems to me it is only fair to certain members to get that money back, and it seems to me, in answer to the gentleman that spoke just before the last one, that some of us know that at that time—it was my honor to precede Mr. Moore as the President of this Association, and I know something about the condition at that time—I know this Association was pretty close to bankruptcy, and the question whether we should go on or not was brought up—in fact, we could not have gone on unless some means were devised for raising that money. These new members that have joined all reap the benefits of that action, and it seems to me a very small matter to pay, and consequently I am in favor of Mr. Wagner's amendment.

Mr. Smith—

I apprehend that certain accounts were paid, and that the books of our Association will show who paid them, and as there seems to be a division of opinion here as to what is best to be done, I would suggest that a circular be prepared and sent to each of those members who paid that money, with the suggestion of Mr. Wagner's, that if they wish it should be turned into the library fund, and they can indicate thereon whether they want that money returned to them or are willing to have it go into the library fund. The library certainly needs it, and there are a great many works it would be very valuable to have there, and we ought to have some sort of a fund to build up that library.

The President—

The motion, which is now before you, is the last substitute offered by Mr. Littlejohn, namely, that this special fund be refunded to such members as may make application during the next year, and that the Secretary or Treasurer having a record of the names, can probably follow out Mr. Smith's idea in sending out the circulars. That motion is now before you as a substitute for the other suggestion.

Holger De Roode—

I do not think that the motion presented—rather the substitute offered by Mr. Littlejohn, represents the spirit of the resolution proposed by Mr. Moore. I think that the point is this, that it would be unfair to put upon any member—I speak, in the first place, as one who contributed, and I am perfectly willing to have my contribution ap-

plied that way—but I do not think it exactly fair that the members who do want the money refunded should be compelled to ask for it, and I think there is perhaps 30 per cent. who would not care to do it. I think the proper way would be, not to require each one to ask for this money, but let the Treasurer issue a circular with the recommendation of this meeting, saying that checks are ready for each one as he contributed, and if they choose not to call for those checks, that it will be applied to the fund; that would be carrying out the spirit of Mr. Moore's resolution.

Mr. Chamberlin—

I believe that finances is one of my long suits. It has been so long since I have had a chance to offer a suggestion that I am going to take this opportunity. I think the gentleman who presented this resolution had in mind an obligation which he himself was probably responsible for to this Association. There is no doubt that 60 per cent. of the members of this Association who contributed that money would be glad to follow the procedure, as suggested by the gentleman from Michigan, and if they have these checks presented to them—as the record will probably disclose who did pay—if they feel inclined to do that, it is a very easy matter to write the name on the back of it. I am in favor of having this debt paid, and if those good fellows want to show their liberality by contributing to the library fund to that extent, it can be done in that way.

Mr. Eddy—

I appreciate the remarks of the last speaker very much. I hope that when the final vote is taken it will leave the door wide open for the other party to send in checks for \$5.00 apiece, if they will.

The President—

Gentlemen, you have heard the substitute motion last offered. What will you do with it?

A Member—

Mr. President, will you please state the question as it stands now?

The President—

As it stands at present, the substitute motion of Mr. Littlejohn to the original motion of Mr. Moore, is that the Treasurer refund to the members, who paid the assessment in 1897, the extra assessment, upon their making proper application for it through the Treasurer within a year. I think that is the substance of the motion. Are there any remarks?

Mr. Page—

I would like to make a motion for all pending questions.

The President—

You are too late. Those in favor of this motion will say aye. Contrary, no. The substitute is lost. Now it comes back to Mr. Wagner's amendment, and that is, that the new Library Committee appointed to-day should have that special collection or assessment as a donation to their fund. We will now vote on Mr. Wagner's substitute.

Mr. Page—

I suppose on this question only those will be allowed to vote who made the contribution.

The President—

Those in favor of Mr. Wagner's resolution, say aye. Contrary, no. The substitute is lost. We are now back to the original motion of Mr. Moore.

As I understand this motion, Mr. Moore has accepted the suggestion of Mr. Kelsey, that this money will be repaid on presentation of voucher.

The President—

This money will be refunded to the people who paid it. If an insurance company paid this extra assessment, the money will go back to the company, as I understand it; if it was paid by the member, the member gets it.

The Secretary—

I want to ask a question: What are you going to do with any amount that has been paid by somebody who has since died?

A Voice—

Let it go to his heirs.

Whereupon the President put the motion, and it was carried

REPORT OF TELLERS.

Mr. Cate—

On behalf of the tellers I beg to report that the total number of votes cast is 173; necessary for choice 87, of which P. D. McGregor received 126, Geo. W. Hayes received 47.

Whereupon Mr. Hayes moved that the vote be made unanimous, which motion was carried.

The President—

The next officer to be nominated is the Vice-President.

(Cries for McGregor.)

The President—

While we are waiting for Mr. McGregor, nominations are in order.

Mr. H. C. Eddy—

It has never been my experience in this Association for its members not to recognize the services of its faithful servants. For seven years one gentleman served without compensation as our Secretary; he has been a member of the Association for twenty-two years; he has attended every meeting and every session since his membership began, and I take great pleasure in naming Mr. George W. Hayes for Vice-President of this Association.

The President—

Gentlemen, the nomination of Mr. Hayes for Vice-President has been made. What is your pleasure?

Mr. H. E. Palmer—

I second the motion, and move that the Secretary cast the ballot of this Association for Mr. George W. Hayes as Vice-President for the ensuing year.

Motion carried.

The President—

The next order of business is the election of the Secretary.

Mr. Townley—

Three years ago we gave a man a term, and he has only served three years of it, and I ask that the members show their appreciation of the faithful service of this gentleman by retaining him for another year. I therefore nominate Mr. David S. Wagner for the position of Secretary.

Mr. H. N. Wood—

I second that motion.

Mr. D. W. Andrews—

Let the Secretary cast the ballot of the Association for himself, thus making it unanimous.

Motion put by the Chair and carried.

Mr. D. S. Wagner—

I nominate Mr. J. A. Kelsey for another year as Treasurer.

Mr. H. N. Wood—

I second that motion, and move that the Secretary cast the ballot for the Association unanimously for his election.

Motion put by the Chair and carried.

(Cries for Hayes.)

The President—

We will now listen to the Vice-President elect.

Mr. George W. Hayes—

MR. PRESIDENT, LADIES AND GENTLEMEN: It is a great satisfaction to me to be able to attend this meeting of the Fire Underwriters' Association of the Northwest. Ever since its organization I have taken great delight in being with you, and have gained great advantage from being with you. When I was first elected Secretary, the Manager of the company that I was with said, "George, I am sorry you took that position."

"Why?" said I. "Because the Association will die on your hands."

I told him he need have no anxiety about that. It was not born to die. It would continue to live and grow stronger and better, and more efficient and more valuable.

I appreciate the honor conferred upon me, and thank you, gentlemen.

(Applause.)

(Cries for McGregor.)

Mr. P. D. McGregor—

Gentlemen, I do not know that there is anything I can say at this time. I suppose I ought to say that I am greatly surprised, but I cannot very truthfully say that. I had an intimation that my name was going to be proposed, and that perhaps there might be a few votes for me. I certainly appreciate very much the very high compliment that has been paid to me by this Association. I do not know why I should be elected to fill this position while there are so many men who have been longer in the Association, and who would have filled it more acceptably. I certainly did not elect myself, so I will have to charge you with any harm that has been done to the Association in this matter.

I will say that nothing that has occurred to me in my insurance experience—in fact, I think, in my life—which has given me such pleasure as this token of high regard from the men I have traveled with and with whom I have been associated, and I can only say that I

will do everything in my power to promote the interests of the Fire Underwriters' Association of the Northwest.

Again, gentlemen, I thank you.

(Applause.)

RESOLUTION OF THANKS.

Mr. Martin—

I move you, sir, that the thanks of this Association be tendered to the management of this hotel for its very kind and courteous treatment, and for the use of their banquet hall for this meeting.

Motion seconded and carried.

Whereupon the Thirty-First Annual Meeting of the Fire Underwriters' Association of the Northwest stood adjourned.

MEETING OF THE BOARD OF DIRECTORS.

Present: Messrs. P. D. McGregor, Geo. W. Hayes, John Marshall Jr., Joseph A. Kelsey, H. N. Wood, R. D. Harvey, C. C. Martin, J. Irving Riddle, Geo P. McMahon, S. D. Andrus, R. H. Hunter, D. S. Wagner.

Meeting was called to order by the President, Mr. P. D. McGregor.

Mr. Kelsey moved that the Secretary be instructed to cast the ballot of the Association for the election of Mr. P. D. McGregor as President of the Fire Underwriters' Association of the Northwest for the ensuing year.

Motion seconded by Mr. Marshall, and carried unanimously.

Mr. Andrus moved that the President be instructed to cast the ballot of the Association for the election of Mr. George W. Hayes as Vice-President of the Fire Underwriters' Association of the Northwest for the ensuing year.

Motion seconded by Mr. Kelsey and carried unanimously.

The Secretary thereupon declared the election of Mr. P. D. McGregor as President of the Association for the ensuing year, and Mr. George W. Hayes as Vice-President of the Association for the ensuing year, as duly ratified by the Board of Directors.

On motion of Mr. Marshall, duly seconded and carried, Mr. Joseph A. Kelsey was declared elected as Treasurer of the Association for the ensuing year.

On motion of Mr. Riddle, duly seconded by Mr. Marshall and carried unanimously, Mr. D. S. Wagner was declared elected as Secretary of the Association for the ensuing year.

Mr. Riddle moved that a committee of three be appointed to act as a Finance Committee for the ensuing year.

Mr. Wood seconded the motion, which was carried.

The President then appointed Mr. Marshall chairman, and Messrs. Andrus and Harvey to act as a Finance Committee.

Mr. McMahon moved that a committee of three be appointed to act as Library Committee for the ensuing year, which motion was seconded by Mr. Wood and carried unanimously.

Committee appointed—D. S. Wagner, Chairman; J. A. Kelsey, S. D. Andrus.

Mr. Hayes moved that the salary of the Secretary for the ensuing year be the same as last year, namely, \$450.00.

Mr. Martin seconded the motion, which was carried.

On motion of Mr. Hayes, duly seconded by Mr. Andrus, the salary of the Treasurer for the ensuing year was fixed at \$250.00, same as formerly.

Mr. Marshall moved that the Treasurer be empowered to return all special assessment money to the various parties or companies paying same, so far as he may be able so to do.

Motion seconded by Mr. Andrus, and carried unanimously.

On motion of Mr. Marshall, duly seconded and carried, the Board adjourned subject to the call of the President.



DIRECTORY OF MEMBERSHIP.



NAME.	ADDRESS.	TITLE.	COMPANY.
Abbott W. S.,	Lapeer, Mich.,	State Agent,	North British & Mercantile Ins.Co.
Adams Geo. W.,	Chicago, Ill.,	Adjuster.	
Adams John H.,	St. Louis, Mo.,	Secretary,	American Central Ins. Co.
Affeld Chas. E.,	174 La Salle, Chicago,	General Agent,	Hamburg-Bremen Fire Ins. Co.
Alexander F. W.,	Indianapolis, Ind.,	Special Agent,	Agricultural Ins. Co.
Allabach E. W.,	Des Moines, Iowa,	Special Agent,	Commercial Union Assurance Co.
Althouse W. L.,	Grand Rapids, Mich.,	Special Agent,	Manchester Fire Assurance Co.
Alverson H. C.,	Eric, Pa.,	Asst. Gen'l Agent,	Ins. Co. of North America.
Anderson Chas. H.,	Hannibal, Mo.,	Special Agent,	Philadelphia Underwriters.
Anderson Lew W.,	Cedar Rapids, Ia.,	Special Agent,	Northern Assurance Co.
Andrews C. L.,	Detroit, Mich.,	Vice President,	Springfield F. & M. Ins. Co.
Andrews D. W.,	St. Louis, Mo.,	Special Agent,	Detroit F. & M. Ins. Co.
Andrus S. D.,	Chicago, Ill.,	Special Agent,	Lancashire Ins. Co.
Armstrong G. A.,	Detroit, Mich.,	State Agt. & Adj.,	Providence-Washington Ins. Co.
Atwater Walter E.,	Iowa City, Iowa,	Special Agent,	Ætna Fire Ins. Co.
Atwood H. F.,	Rochester, N. Y.,	Secretary,	Greenwich Ins. Co.
Auerbach B.,	161 La Salle, Chicago,	Adjuster,	Rochester-German Ins. Co.
Avery Frank M.,	Denver, Col.,	Special Agent,	Pellet & Hunter.
Bailey Geo. A.,	Topeka, Kansas,	State Agent,	Fire Association.
Bailey J. W.,	Denver, Col.,	Special Agent,	Phenix Ins. Co., N. Y.
Bailey O. M.,	Cincinnati, O.,	Special Agent,	Phenix Ins. Co., N. Y.
Baker Thos. Jr.,	Fargo, N. Dak.,	Special Agent,	Ins. Co. of the Co. of Phila.
Baldwin Dean A.,	Marion, Ind.,	Special Agent,	Queen Insurance Co.
Bament W. N.,	Chicago, Ill.,	Adjuster,	Merchants Ins. Co., N. J.
Barnard C. F.,	Chicago, Ill.,	Adjuster,	Western Adj. and Insp'n. Co.
Barnes Fred. B.,	Oshkosh, Wis.,	Special Agent,	
Barnum Raynolds,	Chicago, Ill.,	Special Agent,	North British & Mercantile Ins.Co.
Barnum W. L.,	205 La Salle, Chicago,	Secretary,	Glens Falls Ins. Co.
Barrett D. P.,	Grand Rapids, Mich.,	Special Agent,	Millers' National Ins. Co.
Barry Chas. H.,	The Temple, Chicago,	Manager,	Traders' Ins. Co., Chicago.
Batchelder G. H.,	Denver, Col.,	Special Agent,	Pennsylvania Fire Ins. Co.
Bates E. P.,	Topeka, Kan.,	State Agent,	Providence-Washington Ins. Co.
Bawden E. T.,	Chicago, Ill.,	Adjuster,	North British & Mercantile Ins.Co.
Beck J. M.,	Los Angeles, Cal.,	Asst. Manager,	Fire Ass'n of Philadelphia.
Becker E. A.,	Chicago,	Adjuster.	
Beeson A. G.,	Omaha, Neb.,	Inspector.	
Belden J. S.,	Chicago, Ill.,	Manager,	London & Lancashire Fire Ins.Co.
Bell G. H.,	Dayton, Ohio,	State Agent,	North British & Mercantile Ins.Co.
Benallack W. T.,	Detroit, Mich.,	Electrical Inspector.	
Benedict Frank M.,	Lawrence, Kan.,	Special Agent,	
Benedict H. F.,	Omaha, Neb.,	State Agent,	Niagara Fire Ins. Co.
Benedict H. O.,	Cincinnati, O.,	Special Agent,	Western Assurance Co., Toronto.
Bennett H.,	Cedar Rapids, Iowa,	Inspector.	British America Assur.Co.Toronto.
Bennett R. M.,	Springfield, Ill.,	Special Agent,	Phenix Ins. Co., N. Y.
Bennett Wm. L.,	Chicago, Ill.,	Special Agent,	
Best Jas. G. S.,	200-202 LaSalle St.,		Ætna Ins. Co.
Birch W. H.,	Chicago, Ill.	Surveyor.	Hartford Fire Ins. Co.
Bissell R. M.,	West Superior, Wis.,	General Agent,	Niagara Fire Ins. Co.
Blackwelder I. S.,	Chicago, Ill.,	Manager,	Western Factory Assn.
Blauvelt Albert,	Manhat'n Bldg., Chicago,	Inspector,	American Fire Ins. Co., Phila.
Bliven Waite,	Rialto Bldg., Chicago,	Special Agent,	Michigan F. & M. Ins. Co.
Bloom Chas. H.,	218 La Salle, Chicago,	Special Agent,	Continental Ins. Co.
Bloom Nelson A.,	Detroit, Mich.,	Special Agent,	National Fire Ins. Co., Hartford.
Blossom Geo. W.,	Detroit, Mich.,	Asst. Gen. Agent,	American Fire Ins. Co. of Phila.
Bolling A. F.,	Chicago, Ill.,	Special Agent,	
	Louisville, Ky.,		

NAME.	ADDRESS.	TITLE.	COMPANY.
Bonar L. J.,	Mansfield, O.,	State Agent,	{ Ins. Co. of North America. Philadelphia Underwriters.
Boning Herbert E.,	Cincinnati, O.,	Special Agent,	
Boorn W. C.,	Chicago, Ill.,	Supt. Agencies,	Caledonian Ins. Co.
Bort L. W.,	Beloit, Wis.,	Special Agent,	London & Lancashire Fire Ins. Co.
Boughton T. C.,	Kalamazoo, Mich.,	Inspector.	Niagara Fire Ins. Co.
Bowers F. W.,	St. Louis, Mo.,	Special Agent,	Phoenix Ins. Co. of Hartford.
Bowers H. E.,	54 William, New York.	Special Agent,	
Bradley C. B.,	Chicago, Ill.,	Special Agent.	{ Firemens Ins. Co., N. J. Firemans Fund Ins. Co.
Bradshaw W. D.,	The Temple, Chicago,	Special Agent,	
Brainerd M. C.,	Des Moines, Iowa,	Special Agent,	{ Home Mutual Ins. Co.
Brant J. A.,	Minneapolis, Minn.,	Inspector.	
Bremer J. D.,	Chicago, Ill.,	Manager,	Manhattan Fire Ins. Co.
Briggs N. E.,	Chicago, Ill.,	Special Agent,	North British & Mercantile Ins. Co.
Briggs R. R.,	St. Paul, Minn.,	State Agt. & Adj.,	German Ins. Co., of Freeport, Ill.
Briggs Theo. W.,	Appleton, Wis.,	Special Agent,	Liverp. & London & Globe Ins. Co.
Brooks Fred. S.,	Detroit,	Special Agent,	Niagara Fire Ins. Co.
Brown Grant R.,	207 The Temple, Chicago, Ill.,	Sp'l Agt. & Adj.,	Pennsylvania Fire Ins. Co.
Brown Wm. C.,	St. Louis, Mo.,	Special Agent,	Pennsylvania Fire Ins. Co.
Brown W. F.,	Jacksonville, Ill.,	Special Agent.	Liverp. & London & Globe Ins. Co
Buck Fred. O' L.,	Denver, Col.,	State Agent,	
Bullard A. F.,	Kansas City, Mo.,	State Agt. & Adj.,	North British & Mercantile Ins. Co.
Burke F. H.,	Batavia, Ill.,	Special Agent,	Fire Association.
Burns M. J.,	Denver, Col.,	Manager.	{ Ins. Co. of North America. Philadelphia Underwriters.
Burrows D. W.,	Chicago, Ill.,	General Agent,	
Bush Henry W.,	Chicago, Ill.,	Asst. Manager,	Fire Association.
Bush J. B.,	Omaha, Neb.,	Special Agent,	Niagara Fire Ins. Co.
Butterfield W. C.,	St. Louis, Mo.,	General Adjuster,	Phoenix Ins. Co., Hartford.
Caldwell J. T.,	Chicago, Ill.,	Inspector,	Millers' National Ins. Co.
Calley E. J.,	179 La Salle, Chicago,	Special Agent,	London Assurance.
Campbell E. T.,	St. Louis, Mo.,	Asst. Secretary,	American Central Ins. Co.
Campbell S. F.,	Chicago, Ill.,	Special Agent,	Glens Falls Ins. Co.
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McDonald J. J.,	Chicago, Ill.,	Manager,	Connecticut Fire Ins. Co.
McElhone F. H.,	Chicago, Ill.,	Manager,	Firemans Fund Ins. Co.
McGill M. R.,	Cincinnati, Ohio,	Special Agent,	Sun Ins. Office.
McGregor P. D.,	Chicago, Ill.,	Asst. Manager,	Connecticut Fire Ins. Co.
McHatton Robert,	Indianapolis, Ind.,	State Agent,	N. Y. Underwriters' Agency.
McKean R. G.,	Chicago, Ill.,	Special Agent,	Niagara Fire Ins. Co.
McLeran J. B.,	Duluth, Minn.,	Inspector,	
McMahon G. P.,	Detroit, Mich.,	State Agent,	Michigan F. & M. Ins. Co.
McMillan L. S.,	{ N. Y. Life Building, Chicago, }	Adjuster,	Independent.
McSween J. F.,	Omaha, Neb.,	State Agent,	Franklin Fire Ins. Co.
Meeker C. G.,	Sycamore, Ill.,	State Agent,	Concordia Fire Ins. Co.
Meinel Edward,	48 Cedar St., N. Y.,	Assistant Manager.	Manchester Fire Assur. Co.
Meinel F. A.,	Chicago, Ill.,	Special Agent,	London & Lancashire.
Meyer A. J.,	Indianapolis, Ind.,	Special Agent,	Delaware Ins. Co.
Miller A. F.,	Belleville, Ill.,	Special Agent,	Reliance Ins. Co.
Miller Albert W.,	Lincoln, Neb.,	Special Agent,	American Fire Ins. Co., Pa.
Miller C. N.,	Des Moines, Iowa,	Special Agent,	Delaware Ins. Co.
Miller W. L. W.,	Denver, Col.,	Special Agent,	American Fire Ins. Co., Pa.
†Mims Livingston,	Atlanta, Ga.,	General Agent,	Western Assur. Co.
Mink Albert C.,	Chicago, Ill.,	Special Agent,	
Mitchell Chas. F.,	Chicago, Ill.,	General Agent,	Delaware Ins. Co.
Mitchell Wm. A.,	Chicago, Ill.,		National Assurance Co.
Moffett M. B.,	Paris, Ill.,	Special Agent,	Connecticut Fire Ins. Co.
Monroe A. R.,	Indianapolis, Ind.,	Special Agent,	Queen Ins. Co.
Moody L. D.,	Indianapolis, Ind.,	Special Agent,	Franklin Fire Ins. Co., Phila.
Moore C. H.,	Richmond, Ind.,	Special Agent,	Phenix Ins. Co., N. Y.
Moore Geo. H.,	Chicago, Ill.,	Asst. Secretary,	Liverp. & London & Globe Ins. Co.
Moore M. S.,	Chicago, Ill.,	Special Agent,	Equitable F. & M. Ins. Co.
Moore R. B.,	Cambridge, Ohio,	Special Agent,	Phenix Ins. Co., N. Y.
Morgan E. D.,	Columbus, Ohio,	State Agent,	Home Ins. Co., N. Y.
Mott Geo. C.,	St. Paul, Minn.,	State Agent & Adjr.,	N. Y. Underwriters' Agency.
Mueller G.,	Chicago, Ill.,	State Agent,	Merchants Ins. Co.
Munn E. V.,	Milwaukee, Wis.,	Adjuster,	
Munson E. A.,	Indianapolis, Ind.,	Special Agent,	
Munson E. C.,	Indianapolis, Ind.,	Special Agent,	Spring Garden Ins. Co.
Murray H. W.,	Chicago, Ill.,	General Agent,	Aachen & Munich Fire Ins. Co.
Neuberger J. M.,	Chicago, Ill.,	Special Agent,	Atlas Assurance Co.
Neuberger Jno. M.,	Chicago, Ill.,	Secretary,	Atlas Assurance Co.
Nolte H. A.,	Milwaukee, Wis.,	Secretary,	Milwaukee Fire Ins. Co.
O'Brien J. W.,	Grand Haven, Mich.,	Special Agent,	Phenix Ins. Co., N. Y.
Odell R. S.,	Rookery Bldg, Chicago,	Spl. Agt. & Adjr.,	Connecticut Fire Ins. Co.
Olds A. C.,	Kansas City, Mo.,	Special Agent,	Phenix Ins. Co., N. Y.
Olds Chas. G.,	Detroit, Mich.,	Special Agent,	Glens Falls Ins. Co.
Osmun Daniel C.,	240 La Salle, Chicago,	Asst. Secretary,	Governing Committee.
Osmun Dan'l C. Jr.,	Denver, Colo.,	Special Agent,	London & Lancashire Fire Ins. Co.
Page Wm. E.,	Milwaukee, Wis.,	Special Agent,	German-American Ins. Co.
Palmer H. E.,	Omaha, Neb.,	Local Agent,	
Parker Louis H.,	Chicago, Ill.,	General Agent,	Weed & Kennedy.
Parsons R. L.,	Chicago, Ill.,	Special Agent,	Imperial Ins. Co., Ltd.
Paulding Tatnall,	Philadelphia, Pa.,	President,	Delaware Ins. Co.
Peckham A. M.,	West Superior, Wis.,	Special Agent,	Williamsbaugh City Fire Ins. Co.
Penfield Geo. F.,	Rockford, Ill.,	Secretary,	Ins. Co. State of Illinois.
Persch C. F.,	Home Ins. Bdg., Chicago,	Secretary,	Illinois State Board.
Phelps D. B.,	Kansas City, Kan.,	State Agent,	Merchants' Ins. Co., N. J.
Phelps E. S.,	Burlington, Iowa,	State Agent,	N. Y. Underwriters.
Phillips Henry A.,	Cleveland, O.,	Inspector,	
Phillips H. O.,	177 La Salle, Chicago,	Special Agent,	Ins. Co. State of Pa.
Pinkney A. E.,	Kansas City, Mo.,	Adjuster,	
Preston Chas. P.,	Minneapolis, Minn.,	Special Agent,	Michigan F. & M. Ins. Co.
Prinsen John A.,	San Francisco, Cal.,	Special Agent,	Prussian National Ins. Co.
Ragsdale J. C.,	Milwaukee, Wis.,	Special Agent,	American Central Ins. Co.
Ransom Fred W.,	Grinnell, Ia.,	Special Agent,	Providence-Washington Ins. Co.
Rassweiler H. H.,	Chicago, Ill.,	Special Agent,	Ins. Co. of North America.
Raymond M.H.N.,	Grand Rapids, Mich.,	State Agt. & Adjr.,	Philadelphia Underwriters.
Raynolds Robt. L.,	Columbus, Ohio,	State Agent,	Connecticut Fire Ins. Co.
Redfield A. F.,	Chicago, Ill.,	Adjuster,	Union Adjustment Co.

† Honorary Member.

NAME.	ADDRESS.	TITLE.	COMPANY.
Redfield Geo. E.,	Chicago, Ill.,	Adjuster,	Union Adjustment Co.
Redfield Geo. E. Jr.,	Chicago, Ill.,	Special Agent,	Farmers' Fire Ins. Co.
Redfield D. W.,	Chicago, Ill.,	Asst. Manager,	Pennsylvania Fire Ins. Co.
Reed W. A.,	Dover, Ohio,	State Agent,	Manchester Fire Assur. Co.
Reekie Chas. A.,	Detroit, Mich.,	Special Agent,	Detroit F. & M. Ins. Co.
Remington H. H.,	Chicago, Ill.,	Special Agent,	Teutonia Ins. Co., N. O.
Reynolds M. A.,	2564 Lakewood, Chic'go	Adjuster,	Independent.
Richards Guy A.,	Chicago, Ill.,	Special Agent,	Glens Falls Ins. Co.
Richards J. M.,	Omaha, Neb.,	State Agt. & Adj.,	Ins. Co. of North America.
Richardson Chas.,	Chicago, Ill.,	2d Asst. Gen. Agt.,	Philadelphia Underwriters.
Riddle Herbert W.,	Terre Haute, Ind.,	Special Agent,	National Fire Ins. Co., Hartford.
Riddle J. Irving,	Terre Haute, Ind.,	State Agent,	Phenix Ins. Co., N. Y.
Ritchie Frank,	Indianapolis, Ind.,	State Agent,	Phenix Ins. Co., N. Y.
Robertson J. W.,	Chicago, Ill.,	Special Agent,	Liverp. & London & Globe Ins. Co.
Robertson W. P.,	Albion, Mich.,	Special Agent,	London & Lancashire Fire Ins. Co.
Robinson T. A.,	Des Moines, Iowa,	State Agent,	Palatine Ins. Co. Ltd.
Rogers C. B.,	Louisville, Ky.,	Special Agent,	German Ins. Co., Freeport.
Rogers Frank D.,	Chicago, Ill.,	Special Agent,	Springfield F. & M. Ins. Co.
Rogers Jos. M.,	Chicago, Ill.,	Special Agent,	United Fire Ins. Co.
Rogers W. A.,	Milwaukee, Wis.,	State Agent,	Home Ins. Co.
Rollo Wm. F.,	Chicago, Ill.,	General Agent,	Girard F. & M. Ins. Co., Pa.
Rorick David,	St. Louis, Mo.,	Vice-President,	American Central Ins. Co.
Rose R. H.,	Minneapolis, Minn.,	Special Agent,	Magdeburg Fire Ins. Co.
Rothier J. C.,	Cincinnati, Ohio,	Special Agent,	Orient Ins. Co.
Rowell Alfred,	34 Pine St., N. Y. City,	Special Agent,	Ætna Ins. Co.
Row Frank G.,	Lansing, Mich.,	Special Agent,	Springfield F. & M. Ins. Co.
Rudy D. A.,	{ 1626 Delaware St., Indianapolis, Ind., }	State Agent,	German Ins. Co., Freeport.
Russell M. B.,	Louisville, Ky.,	State Agent,	{ Ins. Co. of North America. Phil. Underwriters.
Ryan Edwin C.,	Chicago, Ill.,	Special Agent,	London & Lancashire Fire Ins. Co.
Salomon L. H.,	Chicago, Ill.,	Adjuster,	
Sammis Fred C.,	Minneapolis, Minn.,	Special Agent,	Agricultural Ins. Co.
Sanderson A. G.,	Columbus, Ohio,	State Agent,	Ætna Ins. Co. of Hartford.
Sanford C. M.,	Columbus City, Mo.,	Special Agent,	Hamburg-Premer Fire Ins. Co.
Sayres R. S.,	Wilmington, Ohio,	State Agent,	Traders' Ins. Co.
Schafer Fred W.,	St. Louis, Mo.,	Special Agent,	Caledonian Ins. Co.
Schnitzler Theo.,	Watertown, Wis.,	Special Agent,	Phenix Ins. Co., N. Y.
Schreiber Thor.,	Chicago, Ill.,	Special Agent,	Grand Rapids Fire Ins. Co.
Schrup N. J.,	Dubuque, Ia.,	Secretary,	Dubuque F. & M. Ins. Co.
Schupp Otto,	Saginaw, E. S., Mich.,	State Agent,	Caledonian Ins. Co., Scotland.
Scott Walter,	Kansas City, Mo.,	State Agent,	Home Ins. Co., N. Y.
Sears M. L.,	Kansas City, Mo.,	State Agent,	Phoenix Assurance Co.
Shallcross L. Z.,	Louisville, Ky.,	Special Agent,	Teutonia Ins. Co., N. O.
Shankland T. C.,	San Francisco, Cal.,	Special Agent,	Fire Association.
Seelye I. H.,	Evanston, Ill.,	Adjuster,	
Shaw William,	Council Bluffs, Ia.,	Inspector,	
Sheahan J. D.,	Chicago, Ill.,	General Agent,	Millers' National Ins. Co.
Sheridan J. P.,	East Saginaw, Mich.,	Special Agent,	Hartford Fire Ins. Co.
Shepherd John,	Kansas City, Mo.,	Special Agent,	Magdeburg Fire Ins. Co.
Shepherd John E.,	Chicago, Ill.,		Davis & Shepherd.
Sikkema U. H.,	Belleville, Ill.,	Adjuster,	German Ins. Co., Freeport, Ill.
Silkworth C. H.,	Chicago, Ill.,	Special Agent,	Magdeburg Fire Ins. Co.
Simonson C. F.,	Chicago, Ill.,	Special Inspector,	Hartford Fire Ins. Co.
Singleton J. P.,	Louisville, Ky.,	State Agent,	Niagara Fire Ins. Co.
Small I. F.,	Des Moines, Iowa,		
Smith Horace M.,	Terre Haute, Ind.,	Special Agent,	Palatine Ins. Co. Ltd.
Smith R. J.,	160 La Salle, Chicago,	Secretary,	Traders' Ins. Co., Chicago.
Smith T. H.,	{ N. Y. Life Building, Chicago, }	Adjuster,	
Smith Thos. H.,	Dayton, Ohio,	State Agent,	German Ins. Co., Freeport, Ill.
Snyder C. F.,	Indianapolis, Ind.,	Special Agent,	American Fire Ins. Co., N. Y.
Sonnen W. J.,	Chicago, Ill.,	Special Agent,	St. Paul F. & M. Ins. Co.
Spann John M.,	Indianapolis, Ind.,	Secretary,	Indianapolis Fire Ins. Co.
Spear Theo. F.,	Cincinnati, Ohio,	Asst. Gen. Agent,	Phenix Ins. Co., Hartford.
Speed A. C.,	Chicago, Ill.,	Special Agent,	Providence-Washington Ins. Co.
Spencer C. H.,	Minneapolis, Minn.,	Secretary,	Minneapolis F. & M. Ins. Co.
Spice Horace L.,	Kansas City, Mo.,	Special Agent,	Germania Fire Ins. Co.
Spoerer F. E.,	Chicago, Ill.,	Special Agent,	Connecticut Fire Ins. Co.

NAME.	ADDRESS.	TITLE.	COMPANY.
Sprague Sam'l. E., Stafford John F., Stark Byron G., Stark L. C., Starr J. A., Stauffer J. Geo., Stawitz Chris., Steele W. L., Stephens Isaac, Stone John, Strickler David, Stuart H. C., Sullivan J. R., Sutton J. R., Tallman J. B., Taylor C. F., Thomas John M., Thomas John V., *Thompson C. D., Thomson F. R., Ticknor Fred., Tiffany H. S., Tillotson D. C., Timberlake C. S., Tolles Fred. W., Townley W. R., Townsend A. F., Trembor Wm.,	Minneapolis, Minn., St. Louis, Mo., New York City, Milwaukee, Wis., Quincy, Ill., Decatur, Ill., St. Louis, Mo., Chicago, Ill., Detroit, Mich., Indianapolis, Ind., York, Pa., Des Moines, Iowa, Milwaukee, Wis., Chicago, Ill., Chicago, Ill., Chicago, Ill., Topeka, Kan., Chicago, Ill., Harrodsburg, Ky., Minneapolis, Minn., Peoria, Ill., 196 Clark, Chicago, Ill., Muskegon, Mich., St. Paul, Minn., Milwaukee, Wis., St. Louis, Mo., Chicago, Ill., Freeport, Ill.,	Special Agent, Special Agent, Mngr. West. Dept., Special Agent, Inspector, State Agent, Adjuster, Asst. Manager, Special Agent, Special Agent, Sec'y & Treasurer, Inspector, Special Agent, Inspector, Special Agent, Special Agent, Asst. Secretary, Special Agent, Inspector, Insurance Publ'r. State Agent, Special Agent, Adjuster, Special Agent, Special Agent, Secretary,	Commercial Union Assur. Co. Scottish Union & National Ins. Co. Caledonian Ins. Co., Scotland. Royal Ins. Co. Firemans Fund Ins. Co. Hartford Fire Ins. Co. Niagara Fire Ins. Co. Girard Fire and Marine Ins. Co. Hanover Fire Ins. Co. Farmers' Fire Ins. Co. Royal Exchange Assurance. Manchester Fire Assur. Co. Hamburg-Bremen Fire Ins. Co. Phenix Ins. Co., N. Y. Liverp. & London & Globe Ins. Co. Northern Assur. Co. Westchester Fire Ins. Co. Providence-Washington Ins. Co. Phenix Ins. Co., N. Y. Western Assur. Co. Northern Assur. Co. German Ins. Co., Freeport. Fire Association, Phila. Spring Garden, Phila. Orient, Hartford. American, Phila. Merchants', N. J. Girard F. & M. Ins. Co. Queen, America. Hartford Fire Ins. Co. Ins. Co. of the State of Pa. Commerce Ins. Co. Aetna Ins. Co. Liverp. & London & Globe Ins. Co. Queen Ins. Co. Traders' Ins. Co. Prussian National Ins. Co. Fire Association. Manchester Fire Assurance Co. Thuringia Ins. Co. Citizens Ins. Co. Home Ins. Co., N. Y. National Fire Ins. Co., Hartford. Union Ins. & Casualty Co. Westchester Fire Ins. Co. Lancashire Ins. Co. N. Y. Underwriters' Agency. Ins. Co. of North America. Philadelphia Underwriters. Home Ins. Co., N. Y. Liverp. & London & Globe Ins. Co. Hamburg-Bremen Fire Ins. Co. Franklin Fire Ins. Co., Pa. Niagara Fire Ins. Co., N. Y. Commercial Union Assur. Co. Commerce Ins. Co., Albany. Franklin Ins. Co. Fire Association, Phila. North British & Mercantile Ins. Co. Royal Ins. Co.
Trezevant J. T.,	Dallas, Texas,	Assoc. Gen'l Agt. S. W. Dept.,	
Tripp S. W., Tritle F. L., Tuttle L. S., Vail D. F., Valentine Geo. S., Van Allen G. A., Vandeever W. E., Van Valkenburg M. W., Vernor Frank A., Vinson John W., Virchow John, Virgin C. R., Vore Milton P., Voss Frederick G., Waggoner Sol. B., Wagner D. S., Walker H. H., Wallace J. M., Wallace W. G., Walsh Chas. A., Wardle H. M., Warfield L. A., Warner J. H., Warner Lansing B., Warren W. S., Washington, H. B., Wasson, A. M. L., Watson Clifford, Webster O. A., Webster Thos. H., Weil Aaron M., Weich Ira, Wells David W., Wells H. M., Welpton D. B.,	Chicago, Ill., Rockford, Ill., Oshkosh, Wis., St. Paul, Minn., Minneapolis, Minn., 57 State, Albany, N. Y., Chicago, Ill., Topeka, Kan., Detroit, Mich., Jerseyville, Ill., Chicago, Ill., Fairbury, Ill., Chicago, Ill., New York, St. Louis, Mo., Chicago, Ill., Chicago, Ill., Dayton, Ohio, Chicago, Ill., Kansas City, Mo., Detroit, Mich., Kansas City, Mo., Milwaukee, Wis., Chicago, Ill., Chicago, Ill., 174 La Salle, Chicago, Cincinnati, O., Vinton, Iowa, Grand Forks, N. D., Chicago, Ill., Evansville, Ind., St. Louis, Mo., 841 Warren av., Chicago, Preston, Minn., Omaha, Neb.,	Special Agent, Inspector, Special Agent, State Agent, Special Agent, President, State Agent, Special Agent, Special Agent, U. S. Manager, President, Adjuster, Sec'y Farm Dept., State Agent, Manager, Special Agent, Special Agent, State Agent, State Agent, State Agt. & Adjr., Special Agent, Res. Secretary, Special Agent, State Agent, Special Agent, Special Agent, General Agent, President, Adjuster, State Agt. & Adj'r., State Agent, Special Agent,	

* Associate Member.

NAME.	ADDRESS.	TITLE.	COMPANY.
Welpton S. S., Welsh Milton, West Bryon D., West B. L., Wetmore E. R., Wheeler E. S., Whilden Wm. G., White H. W., Whitlock H. H., Whitlock J. L., Whitney F. H., Whittemore C. L., *Wile Edwin W., Wilken W. A., Williams W. Fred., Williams Geo. G., Williams S. G., Williams Walter D., Wilson C. F., Windle Ed. W., Windle Jos. J., Wise Louis M., Wisner W. K., Witherbee A. S., Witherbee W. E., Witkowsky Con., Wollaeger Paul G., Wood H. N., Wood W. J., Woodbury Cyrus, Woodhurst W. H. C., Woodward M. S., Wright John C., Wright John O., Wright W. J., Wurtele J. G., Wyper James, Young Chas. O., Young John R., Zent M. F.,	Omaha, Neb., Kansas City, Mo., Grand Rapids, Mich., Cedar Rapids, Iowa, Chicago, Ill., 164 LaSalle, Chicago, Chicago, Ill., Chicago, Ill., Chicago, Ill., 208 LaSalle, Chicago, Detroit, Mich., Chicago, Ill., 205-7 Madison St., Chicago. Atlantic, Ia., Chicago, Ill., Milwaukee, Wis., Denver, Col., Minneapolis, Minn., Denver, Col., Minneapolis, Minn., Minneapolis, Minn., Minneapolis, Minn., Security Bldg., Chicago, Cedar Rapids, Ia., Milwaukee, Wis., Chicago, Ill., 174 LaSalle, Chicago, Milwaukee, Wis., Omaha, Neb., Terre Haute, Ind., Columbus, O., North Platte, Neb., Chicago, Ill., Chicago, Ill., Chicago, Ill., Columbus, Ohio, 205 LaSalle, Chicago, Chicago, Ill., Des Moines, Iowa, Louisville, Ky., East St. Louis, Mo.,	Special Agent, Adjuster. Deputy Inspector, Special Agent, Special Agent, Spl. Agt. & Adj'r., Adjuster. Manager, Manager, Secretary, Special Agent, State Agent, Special Agent, State Agent, Ins. Atty. & Adj'r. Special Agent, General Agent, Special Agent, State Agent, Asst Gen. Manager, Special Agent, Adjuster. Special Agent, General Agent, Adjuster, Special Agent, State Agent, Special Agent, State Agent, Asst. Manager, Adjuster. Cook Co. Mngr., State Agent, Special Agent, Special Agent, Special Agent, Inspector.	Connecticut Fire Ins. Co. Michigan Insp. Bureau. Ins. Co. of North America. Philadelphia Underwriters. N. Y. Underwriters' Agency. Newark Fire Ins. Co., N. J. Prussian National Ins. Co. Delaware & Reliance. Glens Falls Ins. Co. Michigan F. & M. Ins. Co. Lancashire Ins. Co. German Ins. Co., Freeport. Aachen & Munich Fire Ins. Co. Liverp & London & Globe Ins. Co. Spring Garden Ins. Co. Scottish Union & National Ins. Co. Liverp. & London & Globe Ins. Co. Liverp. & London & Globe Ins. Co. Hanover Fire Ins. Co. Aachen & Munich Fire Ins. Co. Scottish Union & National Ins. Co. Hamburg Bremen Fire Ins. Co. Concordia Fire Ins. Co. North British & Mercantile Ins. Co. Ins. Co. of North America. Philadelphia Underwriters. Queen Ins. Co. North British & Mercantile Ins. Co. Western Adjust. & Insp. Co. Agricultural Ins. Co. American Ins. Co., N. J. Home Ins. Co., N. Y. Union Assurance Society. National Assur. Co. of Ireland. Delaware & Reliance Ins. Cos.

* Associate Member.

In Memoriam.

NAME.	ADDRESS.	TITLE.	COMPANY.
Abbey A. J. B.,	San Antonio, Tex.,	Special Agent,	Home, N. Y.
Aldrich H. L.,	St. Louis, Mo.,	Proprietor,	<i>Western Insurance Review.</i>
Allen E. L.,	New York City,	President,	German-American Ins. Co.
Armstrong Frank W.,	Indianapolis, Ind.,	State Agent,	Germania, N. Y.
Ashworth Wm.,	Chicago, Ill.,	General Agent,	British America Assur. Co.
Aspinwall Sterne F.,	Grand Rapids, Mich.,	President,	Grand Rapids Ins. Co.
Atwood John,	Alton, Ill.,	President,	Illinois Mutual, Ill.
Barry A. S.,	Godfrey, Ill.,	General Adjuster.	
Bassett E. J.,	Hartford, Conn.,	General Agent,	Etna, Hartford.
Bennett J. B.,	Indianapolis, Ind.,	Local Board Com- missioner.	
Berne J. J.,	Chicago, Ill.,	General Adjuster,	Traders' Ins. Co.
Berry E. H.,	Milwaukee, Wis.,	State Agent,	L. & L. & G. Ins. Co.
Bissell F. R.,	Dubuque, Iowa,	State Agent,	Hartford Ins. Co.
Bissell Geo. Francis,	Chicago, Ill.,	General Agent,	Hartford Ins. Co.
Bliven Chas. E.,	Chicago, Ill.,	Manager,	American Fire, Philadelphia.
Boughton Frank S.,	Denver, Col.,	Special Agent,	Niagara, N. Y.
Burch Thos. Ross,	Chicago, Ill.,	Gen'l Agt. West- ern Dept.,	Phenix, Brooklyn.
Burt Fred. E.,	Detroit, Mich.,	Supervising Agt. and Adjuster,	Niagara, N. Y.
Chittenden W. G.,	Chicago, Ill.,	General Agent,	Merchants' Ins. Co., N. J.
Clarke Geo. C.,	Chicago, Ill.,	General Agent,	Boylston, Boston.
Clarke W. T.,	Des Moines, Iowa,	State Agent,	Franklin, Philadelphia.
Clifford W. E.,	Evanston, Ill.		
Cole Aaron P.,	Indianapolis, Ind.,	State Agent,	N. Y. Underwriters' Agency.
Coombe C. F. C.,	St. Louis, Mo.,	Special Agent,	British America Assur. Co.
Cook Geo. H.,	Indianapolis, Ind.,	Secretary,	Franklin Ins. Co.
Cornell W. B.,	Chicago, Ill.,	Superintendent,	N. British and Mercantile.
Cramer Adolf J.,	Milwaukee, Wis.,	Secretary,	Milwaukee Mechanics.
Crooke George,	Evanston, Ill.,	Manager,	Western Adjust. and Insp. Co.
Crooke W. D.,	Chicago, Ill.,	Manager,	Northern Assurance, Eng.
Cunninghame A. M.,	Louisville, Ky.,	Sup't Agencies,	Queen, of England.
Dean Thos. L.,	Chicago, Ill.,	General Adjuster,	Hartford Ins. Co.
De Camp D. J.,	Schenectady, N. Y.,	Special Agent,	Liverpool & London & Globe
Devin David T.,	Chicago, Ill.,	Manager,	Reliance Ins. Co.
Dresser Jasper M.,	Lafayette, Ind.,	Financial Agent,	Delaware Ins. Co.
Ducat Arthur C.,	Chicago, Ill.,	Insurance Agent.	National, of Hartford.
Eaton Samuel S.,	St. Paul, Minn.,	Local Agent.	
Eggleston Seth,	Burlington, Ia.,	Adjuster,	Providence-Washington.
Engelbreton Wil- helm,	Rockford, Ill.,	Special Agent,	Rockford Ins. Co.
Euler Philip, Jr.,	Evansville, Ind.,	Special Agent,	Springfield F. & M.
Forbes Wells W.,	Richmond, Ind.,	State Agent,	Royal Ins. Co.
Franklin Morris,	New York City,	Secretary,	U. S. Branch Sun Fire Office.
Gilbert Geo. H.,	Chicago, Ill.,	Special Agent,	Girard & Marine Ins. Co.
Gould Geo. D.,	Chicago, Ill.,	Adjuster,	Independent.
Hall Geo. W.,	Negaunee, Mich.,	Inspector.	
Harbeck Eugene,	Chicago, Ill.,	General Agent,	Western Dept. Phenix Ins. Co., N. Y.
Harris J. S.,	Chicago, Ill.,	General Agent,	Metropole Ins. Co., Paris.
Hawley A. H.,	Le Roy, Ohio,	Secretary,	Ohio Farmers'.
Hersh Geo. Edward,	York, Pa.,	President,	Farmers', York, Pa.
Hewitt Edgar A.,	New York,	Editor,	<i>Insurance Chronicle.</i>
Heywood P. F.,	Chicago, Ill.,	General Agent,	Hartford Ins. Co.
Hine Chas. C.,	New York City,	Editor,	<i>The Monitor.</i>
Hosmer Frank B.,	Chicago, Ill.,	General Insurance.	
Hough Judson B.,	Maroa, Ill.,	Special Agent,	Northwestern Nat'l Ins. Co.
Howard W. I.,	Chicago, Ill.,	Special Agent,	Western Assurance Co.
Iretton Edward L.,	Chicago, Ill.,	Adjuster,	Independent
Johnson T. W.,	Chicago, Ill.,	Special Agent,	Sun Fire Office.
Keller P. C.,	Quincy, Ill.,	Special Agent,	Phenix Ins. Co., Hartford.
Lewis Walter E.,	Chicago, Ill.,	Adjuster,	Independent.
Lumbard S.,	Fort Wayne, Ind.,	General Adjuster,	Phenix Ins. Co., N. Y.
Lyon William A.,	Madison, Ind.,	Special Agent,	Nat'l Fire Ins. Co., Hartford.
Maginn John W.,	St. Louis, Mo.,	State Agent,	N. Y. Underwriters' Agency.
Main Alex H.,	Madison, Wis.,	Special Agent,	German-American Ins. Co.
Marshall C. W.,	Urbana, O.,	Retired President.	

In Memoriam—Continued.

NAME.	ADDRESS.	TITLE.	COMPANY.
Mooney John C.,	Denver, Col.,	Special Agent,	Phenix, N. Y.
Morris Lewis R.,	Detroit, Mich.,	Manager,	Niagara Ins. Co., N. Y.
Morse Dr. Daniel,	Detroit, Mich.,	State Agent,	Home Ins. Co., N. Y.
Myers J. C.,	Detroit, Mich.,	State Agent.	Ins. Co. of North America.
Nieman A. D.,	Chicago, Ill.,	Special Agent,	Philadelphia Underwriters.
Page E. S.,	Des Moines, Iowa,	State Agent,	Orient Ins. Co.
Paige John C.,	Boston, Mass.,	Resident Manager,	Home Ins. Co., N. Y.
Peetrey Jacob,	London, Ohio,	State Agent,	City of London Fire of Eng.
Preston E. C.,	Detroit, Mich.,	Secretary,	Fire Association, Phila.
Reed J. S.,	Marion, Ohio,	(First President of this Association.)	Michigan F. & M.
Reynolds Geo. W.,	St. Louis, Mo.,	Special Agent,	Niagara Fire Ins. Co.
Rice E. F.,	Cincinnati, O.,	Adjuster,	Ætna, Hartford.
Roper Geo. S.,	Rockford, Ill.,	Secretary,	Mfrs. & Merchants' Mutual.
Ruegger S. A. D.,	Chicago, Ill.,	Special Agent,	N. British & Mercantile.
Schmemann Karl,	Detroit, Mich.,	General Agent,	Mil. Mechanics Ins. Co.
Schultz Daniel,	Milwaukee, Wis.,	General Agent,	Milwaukee Mechanics.
Schupp Simeon,	Chicago, Ill.,	General Agent,	German, Freeport, Ill.
Seage Henry S.,	Lausling, Mich.,	Special Agent,	Traders Ins. Co., Chicago.
Sewell John,	Montreal, Canada,	General Adjuster,	Royal Canadian Ins. Co.
Simonds E. A.,	Chicago Ill.,	General Agent,	Greenwich Ins. Co., N. Y.
Southwick S. H.,	Chicago, Ill.,	Adjuster.	Independent.
Spalding A. W.,	Chicago, Ill.,	General Agent,	Home Mutual, Cal.
Strickler David,	York, Pa.,	Secretary,	Farmers' Fire Ins. Co.
Sweeney Anthony,	Denver, Col.,	State Agent,	American, Philadelphia.
Thompson Frank A.,	Denver, Col.,	Underwriter.	
Thomas John E.,	Dixon, Ill.,	State Agent,	L. & L. & G. Ins. Co.
Travis A. C.,	St. Louis, Mo.,	Manager West- ern Dept.	Firemens, Dayton.
Trumbull A. J.,	Merriam Park, Minn.	Special Agent,	Fire Association.
Underwood T.,	Chicago, Ill.,	Adjuster,	Independent.
Vance J. P.,	53 West 3d, Cincin- nati, O.,	General Agent,	Hamburg-Bremen, Germany.
Van Voorhis Frank,	Chicago, Ill.,	Adjuster.	Union Ins. Co., Phila.
Vernor Benjamin,	Detroit, Mich.,	Special Agent,	Springfield F. & M.
Warner D. B.,	Chicago, Ill.,	General Agent,	Phœnix, London.
Warner Samuel R.,	Chicago, Ill.,	Asst. Manager.	Phœnix, London.
Waters A. J.,	Cleveland, Ohio,	State Agent,	Continental, N. Y.
Webber Hiram F.,	Dayton, Ohio,	Special Agent,	Connecticut Ins. Co.
Wessenberg C.,	Mobile, Ala.,	General Agent,	Mobile Underwriters'.
Whitehead J. M.,	Chicago, Ill.,	Special Agt. and Adjuster,	Imperial, England.
Wilson J. O.,	New York.	Business Manager,	Ins. Monitor and Law Jour.
Whiting J. H. C.,	Philadelphia, Pa.,	Editor,	Amer. Exchange & Review.
Williams Abram,	Chicago, Ill.,	Manager,	Connecticut Fire Ins. Co.
Young Mar. V. B.,	Rochester, N. Y.,	General Agent,	Commerce Ins. Co.

HISTORICAL.

ANNUAL MEETINGS OF THE ASSOCIATION.

- 1871—DAYTON, OHIO, February 22:
 C. E. BLIVEN, Chairman.
 *J. S. REED, President.
 R. L. DOUGLASS, Vice-President.
 C. E. BLIVEN, Sec. and Treas.
- 1871—INDIANAPOLIS, IND., July 25 and 26:
 J. S. REED, President.
 *A. C. BLODGET, President.
 R. L. DOUGLASS, Vice-President.
 C. W. MARSHALL, Vice-President.
 C. E. BLIVEN, Sec. and Treas.
- 1872—DETROIT, MICH., July 17, 18 and 19:
 A. C. BLODGET, President.
 C. E. BLIVEN, Sec. and Treas.
 C. W. MARSHALL, Vice-President.
- 1872—CHICAGO, ILL., September 18 (Special):
 A. C. BLODGET, President.
 *R. J. SMITH, President.
 C. W. MARSHALL, Vice-President.
 S. LUMBARD, Vice-President.
 C. E. BLIVEN, Sec. and Treas.
- 1873—MILWAUKEE, WIS., July 16 and 17:
 R. J. SMITH, President.
 C. E. BLIVEN, Sec. and Treas.
 S. LUMBARD, Vice-President.
- 1874—LOUISVILLE, KY., May 20 and 21:
 R. J. SMITH, President.
 C. E. BLIVEN, Sec. and Treas.
 S. LUMBARD, Vice-President.
- 1875—CHICAGO, ILL., September 22, 23 and 24:
 C. W. MARSHALL, President.
 C. E. BLIVEN, Sec. and Treas.
 J. O. WILSON, Vice-President.
- 1876—CHICAGO, ILL., September 27 and 28:
 J. O. WILSON, President.
 C. E. BLIVEN, Sec. and Treas.
 B. VERNOR, Vice-President.
- 1877—CHICAGO, ILL., September 19, 20 and 21:
 C. E. BLIVEN, President.
 GEO. W. HAYES, Sec. and Treas.
 P. P. HEYWOOD, Vice-President.
- 1878—CHICAGO, ILL., September 18 and 19:
 I. S. BLACKWELDER, President.
 GEO. W. HAYES, Sec. and Treas.
 J. M. DRESSER, Vice-President.
- 1879—CHICAGO, ILL., September 17 and 18:
 GEO. W. ADAMS, President.
 GEO. W. HAYES, Sec. and Treas.
 W. B. CORNELL, Vice-President.
- 1880—CHICAGO, ILL., September 8 and 9:
 A. W. SPALDING, President.
 GEO. W. HAYES, Sec. and Treas.
 A. J. WATERS, Vice-President.
- 1881—CHICAGO, ILL., September 14 and 15:
 J. M. DRESSER, President.
 GEO. W. HAYES, Sec. and Treas.
 E. F. RICE, Vice-President.
- 1882—CHICAGO, ILL., September 6 and 7:
 W. B. CORNELL, President.
 GEO. W. HAYES, Sec. and Treas.
 J. M. NEUBERGER, Vice-President.
- 1883—CHICAGO, ILL., August 29 and 30:
 JAMES M. DE CAMP, President.
 GEO. W. HAYES, Sec. and Treas.
 C. W. POTTER, Vice-President.
- 1884—CHICAGO, ILL., September 10 and 11:
 CYRUS K. DREW, President.
 J. C. GRIFFITHS, Sec. and Treas.
 T. J. ZOLLARS, Vice-President.

* Elected and entered upon their duties at this session.

HISTORICAL.

ANNUAL MEETINGS OF THE ASSOCIATION—Continued.

- 1885—CHICAGO, ILL., September 23 and 24:
J. L. WHITLOCK, President. T. H. SMITH, Vice-President.
J. C. GRIFFITHS, Sec. and Treas.
- 1886—CHICAGO, ILL., September 8 and 9:
W. F. FOX, President. H. H. HOBBS, Vice-President.
J. C. GRIFFITHS, Sec. and Treas.
- 1887—CHICAGO, ILL., September 14 and 15:
ABRAM WILLIAMS, President. W. R. FREEMAN, Vice-President.
J. C. GRIFFITHS, Sec. and Treas.
- 1888—CHICAGO, ILL., September 12 and 13:
ISAAC W. HOLMAN, President. J. C. MYERS, Vice-President.
J. C. GRIFFITHS, Sec. and Treas.
- 1889—CHICAGO, ILL., September 17 and 18:
JOHN HOWLEY, President. W. T. CLARKE, Vice-President.
J. C. GRIFFITHS, Sec. and Treas.
- 1890—CHICAGO, ILL., September 10 and 11:
E. A. SIMONDS, President. E. V. MUNN, Vice-President.
J. C. GRIFFITHS, Sec. and Treas.
- 1891—CHICAGO, ILL., October 7, 8 and 9:
H. C. EDDY, President. BYRON G. STARK, Vice-President.
E. V. MUNN, Sec. and Treas.
- 1892—CHICAGO, ILL., September 27 and 28:
H. P. GRAY, President. W. P. HARFORD, Vice-President.
E. V. MUNN, Sec. and Treas.
- 1893—CHICAGO, ILL., September 27 and 28:
EUGENE HARBECK, President. B. L. ALLEN, Vice-President.
E. V. MUNN, Sec. and Treas.
- 1894—CHICAGO, ILL., September 26 and 27:
H. CLAY STUART, President. GEO. M. LOVEJOY, Vice-President.
E. V. MUNN, Sec. and Treas.
- 1895—CHICAGO, ILL., September 25 and 26:
W. J. LITTLEJOHN, President. H. C. ALVERSON, Vice-President.
E. V. MUNN, Sec. and Treas.
- 1896—CHICAGO, ILL., September 29 and 30:
GEO. M. LOVEJOY, President. H. T. LAMEY, Vice-President.
E. V. MUNN, Sec. and Treas.
- 1897—CHICAGO, ILL., September 29 and 30:
GEO. H. MOORE, President. J. A. KELSEY, Treasurer.
STEPHEN E. CATE, Vice-President. E. V. MUNN, Secretary.
- 1898—CHICAGO, ILL., September 27 and 28:
JOS. H. LENEHAN, President. J. A. KELSEY, Treasurer.
JOHN E. DAVIES, Vice-President. D. S. WAGNER, Secretary.
- 1899—CHICAGO, ILL., September 27 and 28:
FRANK H. WHITNEY, President. J. A. KELSEY, Treasurer.
W. R. TOWNLEY, Vice-President. D. S. WAGNER, Secretary.
- 1900—CHICAGO, ILL., September 26 and 27:
OTTO E. GREELY, President. J. A. KELSEY, Treasurer.
CYRUS WOODBURY, Vice-President. D. S. WAGNER, Secretary.
- 1901—*
P. D. MCGREGOR, President. J. A. KELSEY, Treasurer.
GEO. W. HAYES, Vice-President. D. S. WAGNER, Secretary.

* Place and Date to be named.

OFFICERS ELECTED

AT THE

THIRTY-FIRST ANNUAL MEETING

OF THE

FIRE UNDERWRITERS' ASSOCIATION

OF THE NORTHWEST.

FOR THE ENSUING YEAR 1900-1901.

PRESIDENT.

P. D. MCGREGOR.....CHICAGO, ILL.
 Manager Western Department Queen Insurance Co. of America.

VICE-PRESIDENT.

GEORGE W. HAYES.....MILWAUKEE, WIS.
 Manager Western Assur. Co. and British America Assur. Co., Toronto.

TREASURER.

JOSEPH A. KELSEY.....CHICAGO, ILL.
 Manager Achen & Munich Fire Ins. Co.

SECRETARY.

D. S. WAGNER.....CHICAGO, ILL.
 Adjuster.

BOARD OF DIRECTORS.

P. D. MCGREGOR, Manager Western Department Queen Ins Co.
 of America.....CHICAGO, ILL.
 JOHN MARSHALL JR., Manager Firemans Fund and Home
 Mutual Ins. Cos.....CHICAGO, ILL.
 R. D. HARVEY, Special Agent New Hampshire Fire Ins. Co ..CHICAGO, ILL.
 S. D. ANDRUS, Special Agent Prov.-Washington Ins. CoCHICAGO, ILL.
 R. H. HUNTER, Special Agent Commercial Union Assur. Co..CHICAGO, ILL.
 D. S. WAGNER, AdjusterCHICAGO, ILL.
 GEO. W. HAYES, Manager Western Assurance Co., and British
 America Assurance Co., Toronto.....MILWAUKEE, WIS.
 H. N. WOOD, Special Agent N. British & Mercantile Ins. Co..OMAHA, NEB.
 C. C. MARTIN, Special Agent Norwich Union Fire Ins. So. KANSAS CITY, MO.
 J. IRVING RIDDLE, State Agent Phenix Ins. Co., N. Y..TERRE HAUTE, IND.
 GEO. P. McMAHON, State Agent Mich F. & M. Ins. Co...DETROIT, MICH.
 WALTER H. COBBAN, Special Agent Manchester Fire Assur-
 ance Co.....MINNEAPOLIS, MINN.

